Municipal Affairs Annual Report

1986/1987

88-04556/

Alberta

MUNICIPAL AFFAIRS

Office of the Minister

227 Legislature Building, Edmonton, Alberta, Canada T5K 2B6 403/427-3744

The Honourable David Carter
Speaker of the Assembly

Dear Sir:

We have the honour to submit the Annual Report of Alberta Municipal Affairs for the fiscal year ending March 31, 1987.

Respectfully submitted,

Dennis Anderson
Minister of Municipal Affairs

Ken Rostad
Solicitor General and
Minister responsible for
Housing and Native Programs

Alberta
MUNICIPAL AFFAIRS

Office of the Deputy Minister

Jarvis Building, 9925 - 107 Street, Edmonton, Alberta, Canada T5K 2H9 403/427-4826

Honourable Dennis Anderson
Minister of Municipal Affairs

Honourable Ken Rostad
Solicitor General and
Minister responsible for
Housing and Native Programs

Dear Sirs:

I take pleasure in presenting to you the Annual Report setting out the activities of Alberta Municipal Affairs for the fiscal year ending March 31, 1987.

Respectfully submitted,

Archie R. Grover
Deputy Minister

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DEPUTY MINISTER'S REPORT

The year was an exciting and challenging one for Alberta Municipal Affairs as indicated by the following highlights.

Alberta Municipal Affairs was expanded to include the programs of the former Department of Housing and the former Native Affairs Secretariat. The expanded mandate was announced on May 26, 1986 with the Premier's appointment of the Honourable Neil Crawford as Minister of Municipal Affairs. Work started immediately leading to the successful integration of the two organizations into the Department. The former Housing Department was restructured and became a division within the Department to be known as the Housing Division. The programs section of the former Native Affairs Secretariat was merged with the Improvement Districts Operations Division to form the new Improvement Districts and Native Services Division.

In February 1987 the Premier announced that the Honourable K. Rostad was appointed to assist Mr. Crawford with responsibilities associated with housing and Native programs.

Planning for activities to celebrate the 75th Anniversary of the Department in 1987 carried on during the year. A keystone to mark the anniversary was the publication of a book entitled, "Alberta's Local Governments — People in Community Seeking Goodness." The book outlines the development of municipal government in Alberta and forecasts the development of municipal government into the 21st century. In addition, a commemorative pin was produced for presentation to long-service employees.

In 1986/87, initial payments of $2.2 million were made under the Alberta Municipal Partnership in Local Employment (AMPLE) Program. Over the estimated eight-year life of the program $500 million will be paid to municipalities to encourage local employment.

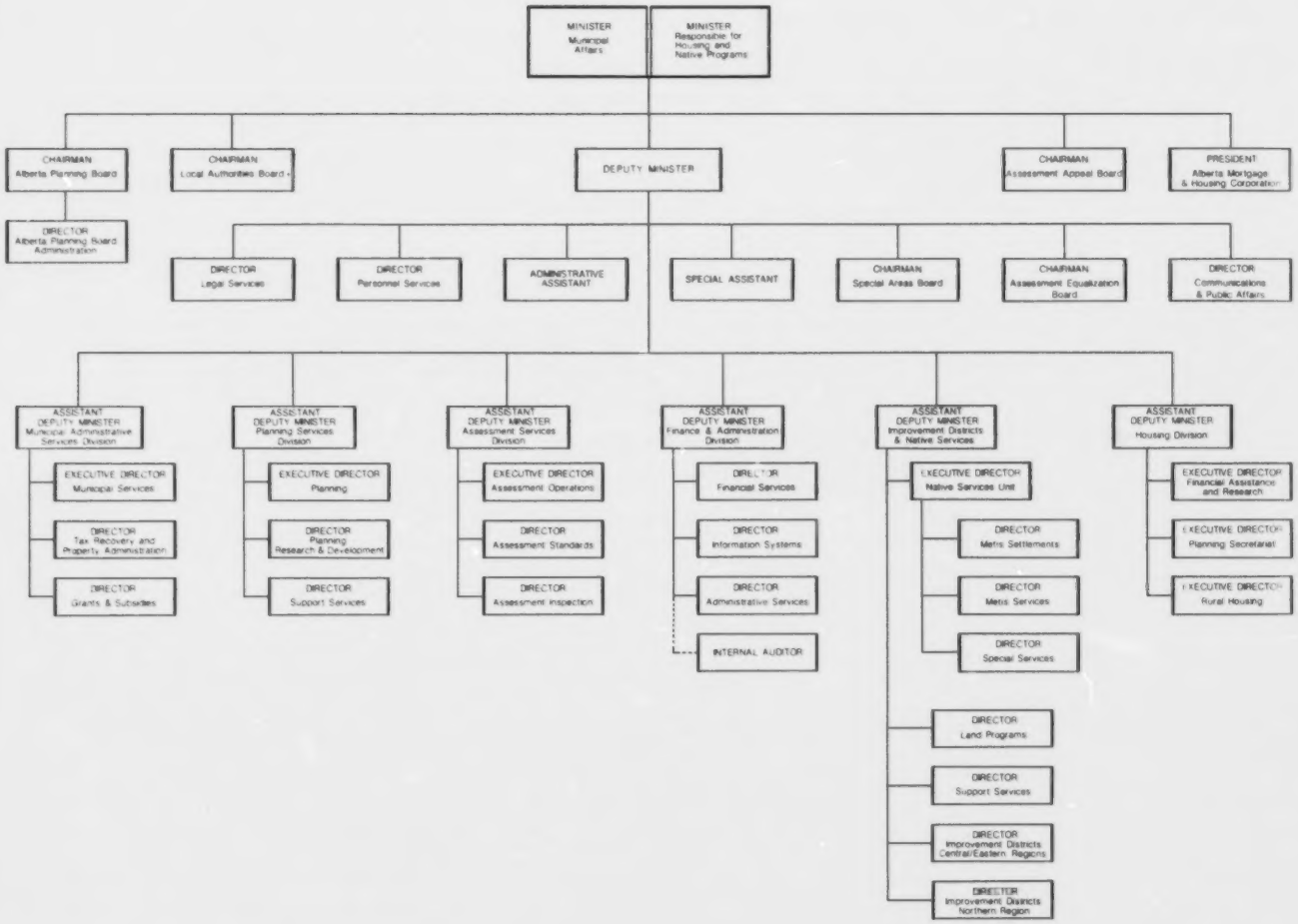
In addition over $100 million in Unconditional Municipal Assistance Grants and $117.7 million through the Municipal Debenture Interest Rebate Program were provided to municipalities.

Individual Albertans received $65 million and $42.8 million respectively, under the Property Tax Reduction Program and the Senior Citizens' Renter Assistance Program.

As part of the Department's ongoing mandate to bring local municipal government to as many Albertans as possible, the Minister of Municipal Affairs authorized work to begin leading to the January 1, 1988 incorporation of Improvement District of Bighorn No. 8 as a Municipal District.

Extra effort by the staff enabled the Department to maintain the high service standards for which it has become known while meeting the staff reduction requirements set by Cabinet. The reduction target was met through attrition and early retirement rather than releasing employees.

MUNICIPAL AFFAIRS ORGANIZATIONAL CHART



ACTS ADMINISTERED BY ALBERTA MUNICIPAL AFFAIRS

Agricultural Relief Advances Act
Alberta Mortgage and Housing Corporation Act
Assessment and Equalization Act
Assessment Appeal Board Act
Border Areas Act
Calgary-Canadian Pacific Transit Agreement Act
Calgary (City of) and Calgary Power Agreement Act
Calgary (City of) and Calgary Power Ltd. Agreement Authorization Act, 1972
Calgary Exhibition and Stampede Limited
(An Act to Authorize and Permit the City of Calgary To Enter into a Certain Lease With)
County Act
Crowsnest Pass Municipal Unification Act
Department of Municipal Affairs Act
Edmonton (City of) and Calgary Power Ltd. Agreement Validation Act
Edmonton — Meadowview Agreement Act
Electric Power & Pipeline Assessment Act
Equalization Act
Improvement Districts Act
Lloydminster Municipal Amalgamation Act
Local Authorities Board Act
Local Authorities Election Act
Local Tax Arrears Consolidation Act
Lomand, An Act Respecting the Village of
Medicine Hat Gas Purchase Act, The City of
Medicine Hat Power Plant Extension Act
Metis Betterment Act
Metis Betterment Act Restoration Act
Mewata Park Enabling Act
Municipal & Provincial Properties Valuation Act
Municipal & School Administration Act
Municipal District of Bighorn No. 8 Incorporation Act
Municipal District of Clearwater No. 99 Incorporation Act
Municipal District of Cypress No. 1 Incorporation Act
Municipal Government Act
Municipal Taxation Exemption Act
Municipal Taxation Act
Municipalities Assessment & Equalization Act
New Towns Act
Northeast Alberta Regional Commission Act
Planning Act

Office of the Deputy Minister

OFFICE OF THE DEPUTY MINISTER

The Deputy Minister is the chief executive officer responsible for the administration, coordination and control of all line and staff functions. As part of the staff function responsibilities, the Legal Services, Personnel Services and Communications and Public Affairs Branches are part of the Deputy Minister's office. The Special Areas Board and the Assessment Equalization Board are also part of the division.

Communications and Public Affairs Branch

The Communications Branch is staffed by professionals from the Public Affairs Bureau who are seconded to the Department. It provides a complete internal and external public relations service to Alberta Municipal Affairs and its associated boards.

The services provided include:

- giving public relations counsel to all levels of department staff;
- liaising with the news media;
- coordinating advertising, print, graphic, display and audio-visual needs;
- carrying out communications research; and
- publishing the external magazine, Municipal Counsellor; and the
- internal staff newsletter.

During the fiscal year the Branch arranged and staffed a departmental display at the annual conferences of the municipal associations such as the Alberta Association of Municipal Districts and Counties and the Alberta Urban Municipalities Association. The display featured a wide selection of the department's publications for delegates. Since 1986 was a municipal election year many newly-elected officials took advantage of the opportunity to obtain background material.

Staff worked with the Municipal Administrative Services division toward the success of the May 26-30 municipal involvement week — "INVOLVE 86." Activities included preparing a "how to" booklet, working with an external agency to produce radio and print advertising and assisting with a student essay and poster contest.

The combining of the Department of Housing and the Native Affairs Secretariat with Alberta Municipal Affairs in May 1986 resulted in a reorganization of the Branch. As well, the Branch was shifted from the Finance and Administration Division to the Deputy Minister's office.

As part of the department's 75th anniversary activities, a new display was created in cooperation with the Planning Division's Support Services Branch. It has been present at most conferences of municipally-related organizations within the province. In January, the Branch published a special 75th anniversary issue of the Municipal Counsellor magazine. The issue looks back at how the department has evolved over the last 75 years and looks ahead at what tomorrow may bring in the world of municipal government. Over 7,000 copies have been distributed throughout the province.

The Awards of Excellence in Affordable Housing program was a major focus of activity leading up to the presentation of the annual awards in September 1986. The Communications Branch assisted the Research and Development Section of the Housing Division, developing and producing certificates, pamphlets, a display, news releases and advertising. The Awards competition reflects the province's support of high-quality, affordable housing for Albertans.

A total of 250 printing and creative artwork projects were completed during 1986/87. As well, 110 audio/visual orders, 121 advertising orders and five display orders were processed.

Legal Services

The Solicitor's Office, located in the Jarvis Building but staffed by a lawyer from the Attorney General's Department, provides diverse legal services to Alberta Municipal Affairs and its associated boards. These include:

- the supply of legal advice and written opinions usually related to legislation administered by Alberta Municipal Affairs;
- the review and preparation of documents including contracts required by the Department;
- Court appearances, where required, on behalf of the department including representation before the courts on behalf of the Alberta Planning Board, Alberta Assessment Appeal Board and the development appeal boards in the improvement districts;
- reviewing proposed legislation and the revision of existing legislation and regulations; and
- participation in special projects.

Personnel Services

The Personnel Services Branch works toward providing a productive, efficient, qualified and stable work force for Alberta Municipal Affairs. To this objective, the following are some of the major initiatives and changes introduced during the 1986/87 fiscal year:

- assisted with the amalgamation of the former Housing Department and Native Affairs Secretariat into the Department;
- formalized delegated authorities;
- developed Personnel Policies and Procedures to support amalgamation;
- undertook the administration of computer skills training for the Department;
- implemented the new Alberta Personnel Information System as the data base for personnel computer systems and reports;
- administered the STEP program for the Department; and
- developed the capability to deliver a new employee skills enhancement program "Working."

Other significant data for this fiscal period includes:

- 832 permanent positions in the Department at the end of the period; no permanent positions were added to the establishment;
- restraint objectives were met without it being necessary to release any employees;
- 15 classified positions were deleted;
- the average number of wage employees was 303;
- 113 classification submissions were processed;
- nine employees were receiving long term disability insurance as of March 31, 1987; and
- formal grievances continue to remain very low.

Assessment Services Division

ASSESSMENT SERVICES DIVISION

This Division ensures equitable property tax assessments throughout Alberta through three branches:

- Assessment Operations Branch
- Assessment Standards Branch
- Assessment Inspection Branch

It was a very busy year in which ratepayers, as a result of the ongoing recession, continued to scrutinize their assessments very carefully.

During 1986/87 a substantial amount of time was spent in preparing some 1400 appraisals representing some $38,000,000 in damages for Alberta Disaster Services. With the assistance of representatives from industry and private assessors, work on the Special Property Assessment Guide was completed. This publication identifies assessable and non-assessable items in large industrial plants.

Assessment Operations Branch

The Assessment Operations Branch provides property assessment services to various municipalities in the province under the Municipal Taxation Act along with province-wide services for properties assessable under the Electric Power and Pipeline Assessment Act.

The Branch consists of staff in the Edmonton head office, nine regional offices and three regional sub-offices. Both the director of the branch and the Industrial Assessment Section are located in the head office.

The regional offices are responsible to various municipalities for assessment of urban and non-farm properties consisting of residential, commercial, light industrial improvements and non-farm or market valued land. Assessments of farm land and residences as well as oil and gas plant properties not done by the Industrial Assessment section are also carried out. The regional assessors act as consultants to other assessors and municipalities and provide assessment assistance to municipalities in which they have no direct responsibility.

The Industrial Assessment Section is responsible for doing assessments pursuant to the Municipal Taxation Act of oil and gas properties and special plants in the majority of municipalities in the province. The Section is also responsible for doing assessments province-wide of wells, flow lines, pipelines, electric power, Alberta Government Telephones (AGT) and cablevision properties under the Electric Power and Pipeline Assessment Act and Municipal Property Valuation Act. The industrial assessors also act as consultants to other assessors and municipalities.

General reassessments are normally completed in each municipality every eight years. However, in these changing economic times, it has been suggested that assessments be maintained at a more current level of value. To this end, on a pilot project basis, in the City of Spruce Grove the general reassessment is being done annually.

With computerization becoming more and more integrated into the business environment, it is anticipated that assessments will more easily be updated to reflect current values. The project in Spruce Grove seems to indicate that this is feasible.

The oil and gas and plant sub-system is already being used by the Industrial Assessment Section and by the regional offices and is available to municipalities that do their own assessment of industrial properties.

Microcomputer-based systems have been or are being installed in the regional offices and are used in the mapping and valuation of farmland properties and in the valuation of residential properties.

The following are business factors relating to Assessment Operations:

	1984	1985	1986
Value of Building Permits	$836,500,000	$2,055,475,453	$568,978,887
Number of General Assessments Completed or In Progress	56	37	41
Number General Assessments Refused	16	19	14
Number of Municipalities Exceeding 7 Year Limit	22	27	33
Number of Annual Assessments Completed	N/A	N/A	304
Population in Municipalities Served	610,728	586,761	609,081
Total Number of Parcels	500,179	512,489	518,427
Number of Oil and Gas Well Zones	78,626	83,804	89,488
Kilometres of Flow Line/Pipeline	100,818	125,561	131,839

Assessment Standards Branch

In 1986/87 the Assessment Standards Branch continued its program of standards development, training, and field assistance to assessors and the assessment community across Alberta.

A highlight of the year was the completion of a feasibility study for the Automated Property Assessment System (APAS). The study was staffed by a project team from a private contractor, DDC Ltd., analysts from the Information Systems Branch, and field assessors from Assessment Operations as well as Standards Branch personnel. The two-volume study provides a detailed overview of the requirements for an automated system and a description of the most effective computer configuration for meeting the objectives of APAS. The associated cost-benefit analysis shows that under present circumstances a large scale, fully-integrated assessment system as envisaged by the APAS study will not recover its cost in a reasonable time frame.

The Branch involvement in automation extended beyond APAS to development of a residential assessment calculation system (Municipal Affairs Residential Calculation — MARC) and continued participation with Riley's Datashare in the development of a farm land valuation system. MARC is an internally-developed system tested in the City of Spruce Grove and Town of St. Paul. Over the next year MARC systems will be installed in all Municipal Affairs assessment offices and will be made available to municipal assessors as well. As a major user of the Riley's Farm Land System, the Assessment Division, through the Assessment Standards Branch, participated in system development by specifying requirement and acceptance testing.

The Standards Branch conducted 16 Development Series training courses for both Departmental and private assessors. A total of 321 candidates attended these courses. The annual Assessment Supervisors Symposium was held in Hinton and attracted ninety-six senior assessment personnel from across the province. As well, a member of the Branch delivered a course in Assessment Principles at Lakeland College.

Branch participation in the Assessment Training Project (ATP) undertaken jointly with the University of Alberta Local Government Studies in the Faculty of Extension and the Alberta Assessors Association continued in 1986/87. As a result of ATP recommendations, Local Government Studies will begin to offer an Assessment Citation Program in the fall of 1987. This program provides the intensive, skills-oriented training presently offered through the Development Series Program which ends in 1987.

Assessment Manual development activities centered on complex commercial and multi-residential buildings. The major focus of attention was field assistance in the application of the 1984 manual and assisting Calgary and Edmonton with their general assessments.

Field assistance in the interpretation and application of the 1984 Farm Land Assessment Manual occupied the bulk of the time of the farm land section in 1986/87. Some research with respect to the methodology for assessing irrigated land was undertaken in anticipation of a more concentrated effort in 1987.

The Branch was actively involved in the preparation of draft amendments to the Municipal Taxation Act. The seminars on the Court of Revision, made available to municipal councils for three years, were again offered in 1986/87.

Assessment Inspection Branch

The Branch provides an assessment inspection function to enhance quality control of assessments throughout the province.

Review of the assessment procedure was carried out in a number of municipalities where general assessments were being conducted. Assistance was provided to Edmonton and Calgary through review of benchmark standards which were established in conjunction with the staff of the two cities. During the course of their assessment updates, a liaison with city assessment officials was maintained.

Assessment enquiries, from the public and local government officials, were investigated with necessary recommendations or action taken. A number of assessment reviews were carried out for the Alberta Assessment Appeal Board. Draft regulations and legislation were also prepared.

The program to monitor the assessment/sales ratio of municipalities, for use by the Assessment Equalization Board, was expanded to include a comprehensive graphics package. A summary of past years values, as used by the Board, is now being provided to all municipalities.

Assistance was provided to the Federal Soil Survey Unit and the Alberta Research Council in reviewing soil survey procedure and a needs analysis. Conferences and workshops of the municipality associations were attended.

The Association of Municipal Districts and Counties (AAMD&C) was assisted in delivering and explaining the newly proposed Rural Assessment Policy. Sessions on the workings of the proposal were also held for interested government members.

Finance and Administration Division

FINANCE AND ADMINISTRATION DIVISION

The Division is responsible for developing and providing effective financial, administrative, corporate planning and electronic data processing services to all areas of the department. This is achieved through:

- Financial Services Branch
- Information Systems Branch
- Corporate Policy Planning and Research
- Administrative Services Branch
- Internal Audit

Financial Services Branch

This branch is responsible for providing accounting and financial management services to the Department and its related boards and agencies through:

- Departmental Accounting and Budgeting section;
- Trust Fund Accounting section;
- Property Taxation section;
- Financial Planning, Policy and Procedures section.

The Departmental Accounting and Budget Section is responsible for payments of account under General Revenue, preparation of the departmental budget and inventory control. Major activities in 1986/87 included the consolidation of budgets and accounting systems resulting from the merger with the former Department of Housing and the Native Affairs Secretariat. The transition occurred smoothly and resulted in manpower savings.

1986/87 Expenditures Classified by Program

a) Financial Support for Municipal Programs
$223,751,357 (52.4%)

b) Alberta Property Tax Rebate to Individuals
$108,510,502 (25.4%)

c) Research and Financial Assistance for Housing
$48,400,608 (11.3%)

d) Administrative and Technical Support to Municipalities
$22,215,078 (5.2%)

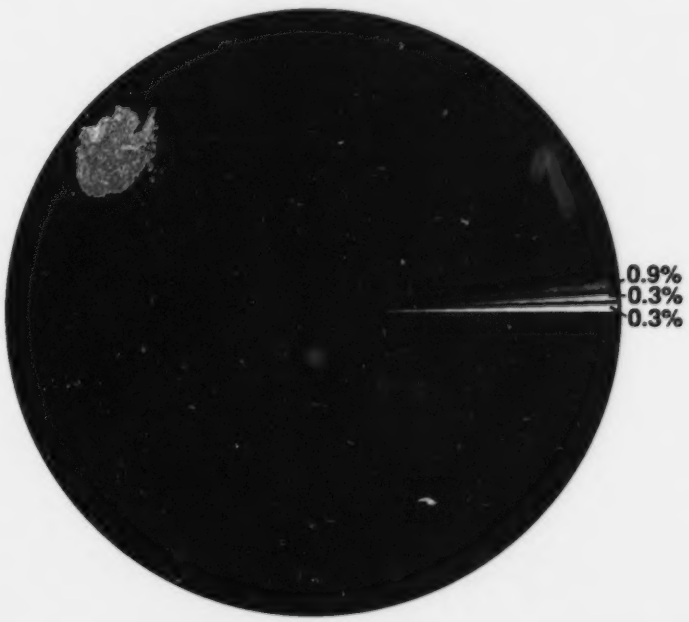
e) Departmental Support
$8,251,978 (2.0%)

f) Support to Community Planning
$8,251,973 (2.0%)

g) Native Support and Coordination
$3,667,346 (0.9%)

h) Regulatory Boards
$1,433,005 (0.3%)

i) Alberta Heritage Fund Mortgage Interest Reduction Program
$1,337,627 (0.3%)



Total Expenditure (Unaudited) $426,738,493 (Actual)

The Trust Accounting Section is responsible for providing accounting and financial management services for the following trust funds administered by the Department:

- Improvement Districts Trust;
- Special Areas Trust;
- Alberta Planning Fund;
- Metis Population Betterment Trust;
- Metis Settlements Trust,
- Metis Associations Grants Administration Trust; and
- General Trust.

Major activities in the current year included:

- Providing refinements to the automated trust fund accounting system and developing customized management reports for use by the district office managers and the senior managers of the Department;
- Introducing improved year-end procedures; and
- Providing timely and accurate monthly financial reporting to district offices.

The Property Taxation Section is responsible for maintaining a tax account receivables system for improvement districts and special areas and for assessment and tax roll data processing activities and information requirements of the public, the Improvement Districts and Native Services Division's Support Services Branch, the Trust Fund Accounting Section, the Tax Recovery and Property Branch and the Grants and Subsidies Branch.

Primary responsibilities include:

- updating tax rolls;
- property tax billing;
- processing of minimum benefits under the Property Tax Reduction Act;
- tax receivables reporting;
- registering caveats; and
- issuing tax certificates.

In 1986/87, the major emphasis was on improving accuracy and effectiveness of the automated and manual procedures, and minimizing operating costs, while still maintaining service levels to the public and field offices.

The Financial Planning Policy and Procedures Section which was previously referred to as "Financial Systems" and reported to the Executive Director, Finance and Administration Division, was restructured at the time of merger with the former Department of Housing. This resulted in a Financial Planning, Policy and Procedures Section within the Financial Services Branch.

The basic Section objective is to deliver updates, revisions, and new policy and procedures relating to expenditures, receivables and accounting of General Revenue and Trust Funds in accordance with the various acts, regulations, and guidelines. This Section also takes a primary role in financial system changes and enhancements.

Implementation is achieved chiefly through committee involvement and direct communication between section staff and district and regional offices

The objective given priority is that of having the Department prepared to convert from AFIS to DFS/CFS for October 1, 1987 in accordance with existing scheduling.

Major activities in the current year included:

- Chaired DFS/CFS Department Implementation Committee, with conversion schedule for October 1, 1987; and
- Various policy and procedure documents reviewed, revised, and/or developed.

Information Systems Branch

Information Systems is a functional unit within the Finance and Administration Division specifically created to facilitate the information processing activities of the Department and to co-ordinate all data processing systems and procedures for the Department.

The mission of information Systems Branch is to manage the development of an effective technical architecture and to support the current and future information needs of the Department.

Major activities in the current year include:

- completed a major feasibility study on the Alberta Property Assessment System (APAS) which will provide the strategic direction for automated assessment systems for the next five years;
- implemented the Rural Emergency Home Program (REHP) Phase II in Housing Division field offices throughout the province;
- developed a residential calculation system as a prototype on a microcomputer for assessment in Spruce Grove to allow the municipality to conduct general assessments on an annual basis;
- enhanced on-line capabilities of the ID Taxation system and reduced the cost of the service;
- developed a subdivision appeals system to track the appeals filed on subdivision applications and to produce statistical reports on the activities;
- upgraded the office automation facilities to provide greater functionality for all users;

- implemented user driven ad hoc reporting for the Personnel Branch; and
- integrated the application systems and staff from the former Department of Housing with the existing applications and staff.

Future advances in technology will provide an opportunity for connecting all department locations via the PWSS Data Communication Network. Field locations will be equipped with microcomputers connected by Local Area Network to the PWSS mainframe. These facilities will provide the capability of significant local computer processing plus access to all mainframe applications, such as the improvement district tax system.

Members of the Branch also participated in interdepartmental committees working toward the development of an Alberta Land Registry System, the coordination of land related information systems, and the development of electronic data processing guidelines for the provincial government as a whole.

Administrative Services Branch

As a result of reorganization in 1986, the Administrative Services Branch, previously a section within the Central Services Branch, was established. The Branch provides a multitude of support functions to program divisions including: accommodation and related building services; duplicating; forms management; library services; mailroom and messenger services; purchasing; records management; risk management; stock advance; telecommunications; and vehicle administration.

Considerable workload was added to the Branch during the fiscal year as a result of the integration of the Department of Housing and the Native Affairs Secretariat to Municipal Affairs. In late 1986, administrative functions from these departments were consolidated in the Jarvis Building, while plans were made to relocate the Assessment Services Division in Sterling Place and the Housing Division in the Jarvis Building.

Internal Audit

The Internal Auditor reports formally to the Internal Audit Committee of the Department, to ensure the independence and objectivity of the internal audit personnel. The Audit Committee meets annually and reviews past year's audit activities and the Annual Audit Plan for the upcoming year to ensure the working adequacy and effectiveness of the internal audit function.

The Internal Audit mandate calls for an independent and objective review of the system of internal controls in departmental operations. Internal control consists of methods and procedures adopted to:

- safeguard assets;
- check the accuracy and the reliability of financial and other data;
- promote operational efficiency, and
- encourage adherence to prescribed government policies, procedures, plans and legislation.

The Internal Auditor, therefore, appraises the adequacy and effectiveness of accounting policies, procedures, systems and operations within the Department.

The thrust of resultant audit reports is to identify problems and recommend appropriate solutions. In addition, follow-up is provided to ensure remedial action is taken on all outstanding concerns. The authorized staff for the function is one permanent and two non-permanent employees.

The Internal Audit group completed all but four of the planned audit assignments of 1986/87. The spill-over projects included data control, the Seniors Home Improvement Program extension, a follow up of 1984 Municipal Affairs Taxation (MATX) audit recommendations, and the Rural and Native Housing program. Financial operations of seven improvement districts and three special areas offices were audited, eleven special projects were completed and eight water and sewer capital project cost verifications were undertaken.

Twenty-seven audit reports were released in 1986/87, containing 265 findings. All of these were responded to by management.

Housing Division

HOUSING DIVISION

The Division is responsible for planning, coordinating and contracting the delivery of province-wide housing programs. This includes the policy and program development for both the Division and on behalf of the Alberta Mortgage and Housing Corporation (AMHC).

In order to carry out its mandate the division is organized into three branches:

- Financial Assistance and Research;
- Planning Secretariat; and
- Rural Housing.

Financial Assistance and Research Branch

The Financial Assistance and Research Branch administers grants in areas of home improvement, housing research, mortgage assistance and financial incentives for rental housing. As well, the Branch is responsible for technical research and development and for educational initiatives in the housing and land development fields.

Activities of the Branch have been organized into five functional areas; Grants Administration, Home Improvement, Research and Development, Educational Resource and Mortgage Assistance.

Grants Administration

The Grants Administration section provides assistance to Albertans through five programs: Senior Citizen Unique Homes Assistance Program; Alberta Rental Investment Incentive Program; Extended Alberta Rental Investment Incentive Program; Home Adaptation Program; and Housing Registry Program.

Senior Citizen Unique Homes Assistance Program

This program provides grants to eligible senior citizen homes for 75 percent of justifiable deficits up to $4.80 per resident per day. The eight homes which received funding provide levels of care which generally fall between that offered in lodges and that offered in nursing homes.

Calgary — Salvation Army Sunset Home	$ 33,232.04
Calgary — Bethany Care	$ 98,148.75
Coaldale — Mennonite Home	$ 17,043.41
Edmonton — Salvation Army Sunset Home	$ 71,832.00
Edmonton — Emmanuel Home	$ 12,614.40
Hythe — Pioneer Home	$111,181.50
Medicine Hat — Haven of Rest	$ 71,924.96
Wetaskiwin — Good Shepherd	$ 56,671.81
TOTAL 1986/87 Assistance	$472,648.87

Alberta Rental Investment Incentive Program and Extended Alberta Rental Investment Incentive Program

The Alberta Rental Investment Incentive Program was introduced to encourage the construction of more rental housing for Albertans in 1980 and 1981 by providing an extra incentive for investors/developers who commenced construction on a multiple unit residential building (MURB) during that period. Under the program, corporations that are taxable in the province apply for a tax credit while individuals apply for a tax rebate.

If an applicant's tax payable is less than the total eligible incentive, the unpaid balance may be carried forward into subsequent years (up to July 1, 1990) until the full amount of the rebate/credit has been claimed. A total of 217 tax rebate applications were processed during the fiscal year representing an expenditure of $574,827.

The Extended Alberta Rental Investment Incentive Program is similar to the Alberta Rental Investment Incentive Program except that it applies to MURB's started in 1982 and 1983. Under this program individuals receive payment in the form of a lump sum grant and corporations receive a refundable tax credit.

The deadline for completion under the program was scheduled for December 31, 1985. However, in response to requests from developers, an 18-month extension was approved. Only one grant application was processed during the 1986/87 fiscal year, representing an expenditure of $13,698.

Home Adaptation Program

The Home Adaptation Program provides grants of $1,000 to homeowners and tenants who are wheelchair users or who have a wheelchair user residing with them and to landlords who are willing to adapt units for rental to wheelchair users. The grant is for adaptations which will provide the wheelchair user access to the residence and mobility within the home.

Since the introduction of the program in April 1978, $1,066,884 has been expended. During 1986/87 a total of 149 applications were approved. Expenditures during this period amounted to $118,088.

Housing Registry Program

The Housing Registry Program provides funding to nine housing registries. The primary purpose of the housing registries is to act as a housing referral service for senior citizens, the handicapped, the "hard-to-house" and native people. Other activities of the housing registries are to provide information on housing programs to the public and to gather housing information.

The nine registries funded by the program are located in Calgary (2), Edmonton (5), Lethbridge (1), and Medicine Hat (1). In 1986/87 the registries received a total of $294,000 in grants.

Home Improvement Section

The Home Improvement Section is responsible for the delivery of two programs which provide financial assistance to senior citizens.

Seniors' Home Improvement Program

This program was introduced in December 1982 as a successor to the Alberta Pioneers' Repair Program and the Senior Citizens' Home Improvement Program. Applications were accepted to June 30, 1986. It provided assistance to low and moderate income senior citizen homeowners to repair or improve their principal residences.

From April 1, 1986 to June 30, 1986, 1,614 applications were approved under this program for a value of $4,223,000. An additional $573,000 in supplemental benefits was approved in the same period and the expenditures by seniors amounted to $19,425,366.

Seniors' Home Improvement Program Extension

In April 1986, a three-year extension to the Seniors' Home Improvement Program was announced effective July 1, 1986. As with the Seniors' Home Improvement Program, grants of up to $3,000 are available.

From July 1, 1986 to March 31, 1987, 3,784 applications were approved under the Seniors' Home Improvement Program Extension which represented $9,755,000 in commitments. An additional $1,440,000 in supplemental benefits was approved under the extension for the same period. Total program expenditures for this period amounted to $4,158,086.

As a special service to Alberta's 43 Indian Bands, a native liaison officer is employed by the Home Improvement Section to address the specific needs of these groups relative to the two seniors' programs.

Spot inspections are undertaken by the section to ensure the validity of claims made for materials purchased or services preformed under the program. A total 406 of these were completed during 1986/87.

Research and Development Section

The main responsibilities of the Research and Development Section are:

- to carry out and support technical research and development in the fields of housing, land development and related manufacturing industries; and
- to encourage the application and adoption of innovative methods, products and technologies.

Research and development priorities for the 1986/87 fiscal year were construction technology, energy conservation, residential building products, design, site servicing technology and computer applications for the housing industry. While the section carried out some projects on its own initiative, most projects were carried out through the Innovative Housing Grants Program. This program provides grants of up to $25,000 to industry, organizations and individuals for approved research, design, evaluation and test projects. A limited number of grants of up to $50,000 are available to assist in offsetting the costs of major demonstration projects.

The Section also administers the Competition for Alberta Awards of Excellence in Affordable Housing. It was also responsible for the Educational Resource Section until it was discontinued at the end of the fiscal year.

Research and Development Activities

The Section managed 22 projects to completion during the year. These projects were documented and, as part of the effort to encourage the commercialization of project results, reports on successful projects were disseminated broadly. Among industry groups, demand for project reports continued to increase from 5,500 in 1984/85, to 6,000 in 1985/86 and to 6,700 in 1986/87. In addition, the Section initiated or participated in a number of major seminars and displays to increase the transfer of new technology.

Some of the 22 research and development projects completed during the year were:

- a heating and ventilation study of modern housing;
- a study of the energy performance of Airtight Drywall Approach (ADA) houses;
- a feasibility study of production of aspen finishing materials;
- evaluating the performance and use of foamed asphalt road bases using sands or in situ soils;
- an examination of a new design and marketing approach to housing; and
- a study of the condensation problem in mobile homes.

Expenditures for 1986/87 under the Innovative Housing Grants Program amounted to $557,196.

Competition for Alberta Awards of Excellence in Affordable Housing

The competition recognizes the achievements of builders who build and market high quality, moderately-priced housing in Alberta and focuses public attention on the best examples of such housing. This was the third year of the competition. Two categories were established to reflect the different cost levels which existed in the moderately-priced

housing market. As well, the competition reflects the various regional markets in Alberta.

One category was for homes with hard construction costs (material and labour costs) of under $42,000. The second category was for homes with hard construction costs under $52,000. Up to five awards of $5,000 each were available in each category for different contest areas. An additional special award of $10,000 was made available to the overall winner in each category.

Winning entries were announced and final presentations of awards were held at the joint Alberta/B C Home Builders Conference in September 1986. The competition will be held again in 1987.

Educational Resource Section

This Section was responsible for providing self-help educational material on house construction, for providing information and organizational assistance to seniors' groups and for providing appropriate information and/or educational materials to other housing groups.

Mortgage Assistance Section

The Mortgage Assistance Section administered the Alberta Heritage Fund Modified Mortgage Interest Reduction Program.

The program was announced on July 16, 1984 to assist those homeowners who would have faced financial hardship as a result of the termination of their benefits under the original Program, the Alberta Heritage Fund Mortgage Interest Reduction Program. This Modified Program was funded by the Alberta Heritage Savings Trust Fund and commenced September 1, 1984. It was scheduled to end on August 31, 1985, but was extended until December 31, 1986. The wind-down of the program was completed by March 31, 1987.

In order to be eligible for benefits under the modified program, the homeowner must have received benefits from the Alberta Heritage Fund Mortgage Interest Reduction Program during the month of August 1984. In addition, the homeowner must have spent more than 35 percent of household income on mortgage payments. The reimbursement benefits were based on the least of:

- the monthly benefit for which the homeowner was eligible in August 1984 under the Alberta Heritage Fund Mortgage Interest Reduction Program;
- the sum required to effectively reduce the mortgage interest rate to 12.5 percent; or
- the sum required to reduce the monthly mortgage payment to 35 percent of household income.

By March 31, 1987 a total of 9,112 Albertans had applied for assistance from the modified program. In all, 4,629 had been approved, of which 99 were approved during 1986/87. A total of $4,187,823 in benefits had been paid to March 31, 1987.

Planning Secretariat

The Planning Secretariat provides policy and program planning assistance and coordination to both the Housing Division of the Department and to the Alberta Mortgage and Housing Corporation (AMHC). It also provides an economic and housing market analysis capability and is very active in liaison with, and the coordination of, activities with such agencies as the Canada Mortgage and Housing Corporation (CMHC) and the private sector.

Activities of the Planning Secretariat are organized into three functional areas:

Market and Economic Analysis Section

The Market and Economic Analysis section provides ongoing economic research, market and program analysis in the area of housing. Major activities of the section during the year included:

- monthly reports on residential construction activity and residential mortgage foreclosures in the province;
- a quarterly publication of housing market trends in Alberta;
- an annual survey and report on vacancy rates and rental costs in about 90 Alberta communities;
- short-term and medium-term forecasts of expected housing construction levels and housing requirements; and
- an assessment of the impact on housing of major resource and economic development in a number of communities.

Policy and Program Development Section (Department)

The Policy and Program Development Section (Department) examines and evaluates alternative directions for housing-related programs delivered by the Department.

Highlights of section activities during the year were:

- completion of a review of the Seniors' Home Improvement Program;
- completion of a study on the applicability of the granny flats housing concept in Alberta;

- the completion of a study focussing upon self-employment and investment income guidelines for government housing programs;
- commencement of a major study on senior citizen housing alternatives;
- research and development of a lease to purchase option for the Rural and Native Housing Program, and a heating allowance for Rural and Native Housing Program clients;
- a survey of remote community and Metis settlement household and dwelling conditions and review of Rural Home Assistance Program, and Rural Emergency Home Program delivery issues,
- an assessment of sewer and water grant eligibility guidelines under the Rural Home Assistance Program;
- research related to the Working Group on Native and Community Services; and
- coordination of the development of a federal provincial three-year plan for joint government housing activity in Alberta.

Policy and Program Development Section (Corporation)

The Policy and Program Development Section (Corporation) is responsible for the review and evaluation of housing programs delivered by AMHC. The Section is also responsible for conducting market assessments for all applications for social housing projects and, based on the assessments, recommending the appropriate course of action.

Highlights of activities during the year were:

- participation on an interdepartmental committee examining the long term care situation in Alberta;
- completing of market assessments for requests for social housing projects;
- completion of a study with AMHC on the disposition of corporation owned property;
- completion of a review of the transitional housing program, which provides housing to families relocating to employment centres from rural areas;
- a review of the provincial government's staff housing program; and
- commencement of a major review of the senior citizen lodge program.

Rural Housing Branch

The Rural Housing Branch is responsible for the provision of finance, with training in administrative, construction and renovation skills. Pre and post occupancy counselling is also an essential function in the provision of modest, affordable housing. The client groups are rural and mostly northern families and senior citizens, whose sources of income are often derived from seasonal employment, supplemented with unemployment insurance, social assistance or pension benefits.

The Branch has three programs:

- Rural Home Assistance Program,
- Rural Emergency Home Program, and
- Rural and Native Housing Program.

These programs are designed to meet specific needs where conventional housing programs are not suitable or available.

Rural Home Assistance Program

Assistance under this program is provided to isolated communities and Metis settlements in the form of grants for materials to enable these communities to construct new homes or improve existing homes of qualifying families. Program staff carry out the mandate under five sub-program areas: Isolated Communities Housing; Metis Settlement Housing; Rural Home Repair; Northern Water and Sewer; and Rural Housing Employment Support.

Isolated Communities Housing — assisted 28 isolated or semi-isolated communities to construct new, modest homes for eligible families. During the fiscal year, 49 families were assisted through grants totalling $1,191,833.00.

The following isolated communities were assisted during this period:

Location	Units Built
Cadotte Lake	6
Little Buffalo	2
Peerless Lake	2
Trout Lake	4
Chipewyan Lake	3
Desmarais/Wabasca	4
Calling Lake	5
Owl River	4
Janvier	6
Fort McKay	3
Fort Chipewyan	2
Boyer Summit	2
Elinor Lake	2
Conklin	4
	49

Metis Settlement Housing — assisted a total of 57 families through construction of modest homes during this fiscal year, with a cost commitment of $1,199,999.00.

Location	Units Built
Elizabeth	7
Fishing Lake	6
Caslan	7
Kikino	9
Gift Lake	9
Peavine	8
East Prairie	5
Paddle Prairie	6
	57

Rural Home Repair — assists all approved isolated communities and Metis settlements to repair and upgrade existing homes of eligible families through the local housing associations. During this fiscal year, 47 applications were approved at a total cost of $216,591.

Rural Housing Employment Support — through the employment initiatives package of Alberta Career Development, $500,000 was received. This funding assisted 13 isolated communities to employ 51 people during a six-month program of training for local workers to build new homes and repair existing ones.

Northern Water and Sewer — during the 1986/87 fiscal year grants were approved to install roughed-in plumbing in 117 homes built through the program, for a total of $117,000 and 43 applicants were approved for complete plumbing systems at a cost of $172,864. Through a cost-sharing agreement with the Branch and the Metis Development Branch, an additional $189,546 was granted to provide exterior plumbing services for 111 families on the eight Metis settlements. During this fiscal year, 271 families were assisted through a total cost commitment of $475,410.

Rural Emergency Home Program

This program assists qualified, low to moderate income, rural families and senior citizens who may face the following types of emergencies:

- their home is destroyed by fire, flood or storm, and the family needs a place to live immediately;
- their home is overcrowded; or
- it is not safe or healthy to live in.

The program also may provide units to families waiting for permanent housing, or for families relocating permanently to new communities to take advantage of employment opportunities. Emergency homes may be located anywhere in the province, but are primarily available to Albertans living in villages, towns, improvement districts and Metis settlements. Through separate agreements with band councils, the program is also available on Indian Reserves. The program provides an opportunity for ownership at substantial savings to the tenants who are interested in purchasing the mobile home.

During the year, the program received 755 applications for emergency housing and approved 158. Under the sales policy 86 units were sold. One hundred and fourteen new units were purchased during the fiscal year. There are 125 units on Indian reserves guaranteed by the federal government for full cost recovery. As of March 31, 1987 there were 1205 units in the program, of which 1080 were occupied.

Rural and Native Housing Program

The Rural and Native Housing Program is a cost-shared federal/provincial program which has been in effect since 1974. Mortgage funding for the construction or purchase of units is provided by AMHC, while subsidies and other costs are shared on a 75/25 percent basis by CMHC and the Department, respectively.

During the year, an additional 117 Albertans received mortgage assistance through this program. The breakdown of regional delivery is as follows:

Region	Families Approved
Peace River	40
Bonnyville	63
South	14
TOTAL	117

The program also completed post occupancy warranty repairs on a total of 23 units at a total cost of $66,016 The repairs were carried out in the following regions:

Region	Post Occupancy Warranty Repairs
Peace River	9
Bonnyville	5
South	9
TOTAL	23

Rehabilitation work was performed on 14 units in Grouard at a cost of $111,604 and 10 units in Wabasca at a cost of $102,379.00.

The program also has 104 rental units which are administered by AMHC.

Region	Rental Units
Peace River	68
Bonnyville	24
South	12
TOTAL	104

It is the intent to market these units to eligible program applicants.

The Rural and Native Housing Program has a total of 1352 ownership and rental units in its portfolio.

Improvement Districts and Native Services Division

IMPROVEMENT DISTRICTS AND NATIVE SERVICES DIVISION

Reorganization

Early in the year, the program elements of the former Alberta Native Secretariat were amalgamated with Municipal Affairs and incorporated as part of the Improvement District Operations Division. This gave rise to a reorganized divisional structure and a new name: the Improvement Districts and Native Services Division.

The new structure includes a separate Native Services Unit with three branches and headed by an executive director. Administrative support staff for the Division was consolidated within the Support Services Branch. These changes necessitated the physical movement of personnel in order to co-ordinate functions and ensure the continued provision of effective client services.

At the end of the fiscal year, the former Assistant Deputy Minister, Robin Ford, left to become Deputy Minister of Consumer and Corporate Affairs.

Improvement District Operations

ID Operations, in keeping with the plans and priorities of the Department, has continued the pursuit of its mandate to develop local government in the improvement districts and to assist those improvement districts that have the resources and capabilities to assume greater autonomy by incorporating as municipal districts.

The Improvement District of Bighorn No. 8 came a step closer to incorporation on March 13, 1987 when the Minister of Municipal Affairs signed a ministerial order authorizing preparatory steps leading to incorporation on January 1, 1988. The Minister also announced the continuation of the role of the existing Advisory Council until incorporation is a fact and regular elections take place.

No decision has as yet been made regarding the future options for Improvement District No. 14. This is contingent upon a final decision on the establishment of a new municipal district in the Drayton Valley area and upon the establishment of a broad government policy on the extent to which Green Area land should be included in incorporated municipalities.

More improvement districts have completed comprehensive five-year plans as advisory councils become more aware of the value of such plans for the orderly growth and development of their municipality.

During the year, over $6 million was spent on capital projects within the improvement districts. Of major significance were starts on a $4.5 million water and sewer expansion in Desmarais and a $4 million system for Fort MacKay. The Land Programs Branch, in accordance with the Department's new direction for management of land in green area hamlets, now has a total of 14 green area hamlets it is either administering or is in the process of assuming administrative responsibility for as they are transferred from Alberta Forestry, Lands and Wildlife to Municipal Affairs. The improvement districts are meeting local land needs in transferred hamlets, and sales of registered lots to individual residents are underway.

In order to increase the involvement of residents in the local government process, community services committees and community contact offices are in place at Anzac, Cadotte Lake, Conklin, Grande Cache Co-ops, Janvier, Loon Lake, Peerless Lake, Sandy Lake and Trout Lake. Community secretaries working in the contact offices on a part-time basis facilitate communications to and from the communities.

The community services committees are made up of representatives of local interest groups and the local advisory councillor. The committee members support the advisory council by assisting in determining the needs of the community and in providing information necessary for advisory council decisions. Further committees will be established if there is a locally defined need.

With a view to providing better service to the public, the improvement districts' land interests in transferred green area hamlets are being recorded on the Land Status Automated System (LSAS), the Alberta Government's automated land registry system.

The **Support Services Branch** provides financial, budget, assessment, engineering and general administrative services for the other branches of the division.

- The total equalized assessment for all the IDs in 1987 was $1,268,948,090;
- General assessments were completed for IDs 6 and 22 and commenced for IDs 15, 20 and 22;
- One new school board (McLeod Valley Roman Catholic School Board in ID 14) was formed and six others were involved in boundary changes;
- IDs 7, 8, 16, 17 and 21 were affected to varying degrees by annexations; and
- Local advisory councils held their own courts of revision during the year with the manager of Assessment and Taxation participating in the hearings involving industries.

Native Services Unit

The Native Services Unit was formed on August 1, 1986. Program elements of the former Native Affairs Secretariat and the Metis Settlements Branch were amalgamated to form this unit.

The mandate of the Native Services Unit is to assist other provincial departments and agencies in strengthening their mandates in relation to Alberta's Native people. During the 1986/87 fiscal year, the Native Services Unit made significant progress in several areas. In preparation for the implementation of Resolution 18, the boundaries of Metis Settlements were surveyed and settlement government development plans initiated in conjunction with the settlements. Considerable progress has been made in discussions on proposals for a revised Metis Betterment Act.

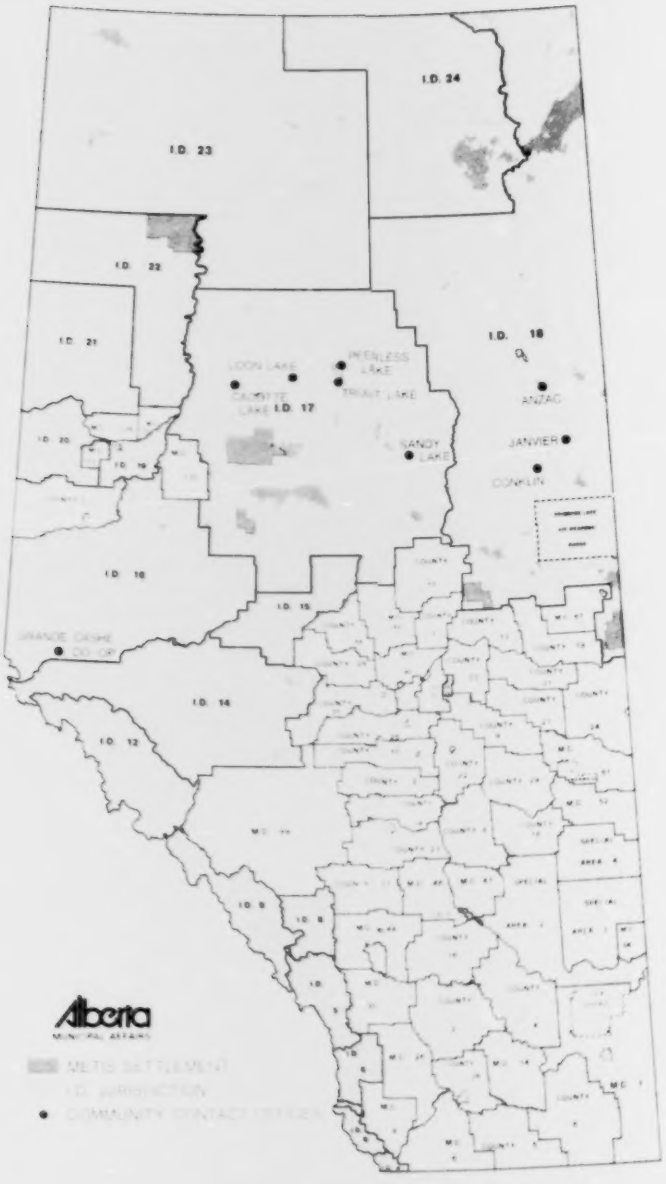
The Native Services Unit entered into contractual relationships with the six regional councils of the Metis Association of Alberta. The purpose of these contracts was to enable the regional councils to provide advice to government departments on how to enhance the delivery of programs and services to Metis in Alberta. This type of contractual relationship represents a significant change in approach to Native organizations away from pure grant funding.

Responsibility for the Native Venture Capital Company and the Business Assistance for Native Albertans Corporation was transferred to Alberta Economic Development and Trade. This was consistent with the unit's mandate to ensure that Native people have equal access to provincial departments.

During the year, a further $1 million commitment to major water and sewer facilities on the Metis Settlements was made. The five year program is now basically complete with all Settlements having treatment plants in full operation. Settlement individuals are presently in the second year of a training program to become qualified plant operators. The installation of cisterns and septic tanks in rural areas is continuing. Over $13 million has been expended on the program thus far.

A review is planned to determine if the present organizational structure of the unit is the one best suited to provide effective delivery of client services.

Over $3.8 million was granted to Native organizations in 1986/87.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PEAVINE LAKE
PEERLESS LAKE
TRIAD LAKE
SANDY LAKE
ANZAC
JANVIER
CONKLIN
GRANDE CACHE CO-OP
Alberta
MUNICIPAL AFFAIRS
METIS SETTLEMENT
I.D. JURISDICTION
COMMUNITY CONTACT OFFICE

Municipal Administrative Services Division

MUNICIPAL ADMINISTRATIVE SERVICES DIVISION

This Division is composed of three branches:

- Grants and Subsidies Branch;
- Municipal Services Branch; and,
- Tax Recovery and Property Administration Branch.

The Division acts as the focal point for general municipal administration and financial matters. It conducts annual inspections of all incorporated municipalities, with the exception of cities, to ensure municipal government is being carried out in accordance with relevant legislation and regulations. It regularly provides advice and information to municipal officials on their duties and has a role in investigating and resolving complaints regarding their actions.

The Division is involved in the development of the government's municipal policies, frequently coordinating or serving as the departmental representative on interdepartmental committees. Through direct contact with municipalities, workshops or seminars, it provides information to municipal officials and receives their input on matters which are relayed to the Minister, relevant officials, departments or agencies.

Contact with individual Albertans occurs frequently in the administration of programs such as rental assistance, property tax reduction and tax recovery and sale of land. The Division administers four programs which provide funds to municipalities.

The management of municipal government affairs in Alberta in 1986/87 demanded considerable creativity and resolve on the part of both elected and appointed officials. Economic restraint continued to test the management ability of these officials. Extensive involvement in educational programs for elected and appointed officials, as well as consultation with their representative associations, continue to be essential to the Division's ability to represent municipal concerns and to respond to increasing requests for assistance, advice and services.

During 1986/87 the Division has been actively involved in reviews of a variety of local government issues:

Alberta Municipal Partnership In Local Employment (AMPLE) Program

The AMPLE Program was announced in April 1986 by the Minister of Municipal Affairs. Funds for the program will be generated by the reduction in funds required for the Municipal Debenture Interest Rebate program as a result of the refinancing of municipal debentures by the Alberta Municipal Financing Corporation. AMPLE is an unconditional per capita grant which will be paid automatically to all municipalities in 1987 and subsequent years until a total of $500 million has been transferred. The Division is responsible for the administration of the program.

Local Government Elections

Another major activity of the Division was the tri-annual local government elections held in October 1986. The Division provided a handbook and conducted workshops for returning officers throughout the province, provided advisory services during the nomination and election period and delivered workshops for the newly elected councillors and aldermen.

Minister's Committee on Liability Insurance

The Minister of Municipal Affairs formed this committee at the beginning of 1986. Secretariat functions for the committee was provided by the Division. The committee reviewed the crisis situation for Alberta municipalities and other local authorities when it came to renewal of their liability insurance protection. Membership included the Alberta Association of Municipal Districts and Counties (AAMD&C), the Alberta Urban Municipalities Association (AUMA), the Alberta School Trustees Association as well as representatives from the Departments of Municipal Affairs, Education, Consumer and Corporate Affairs, and Alberta Treasury. Also on the committee was a representative from the large cities which do not carry insurance through municipal associations. The committee has prepared ten recommendations which provide a plan of action to deal with the escalating cost of municipal liability insurance.

Municipal Involvement Week

The Division, in co-operation with the Alberta Urban Municipalities Association (AUMA), Alberta Association of Municipal Districts and Counties (AAMD&C), Improvement Districts Association of Alberta (IDAA) and the Special Areas Board, initiated Municipal Involvement Week which was held May 26-30, 1986. An encouraging response was received and the participants agreed to sponsor the week in future years.

Municipal Statutes Review

In April 1986, the province announced a major review of municipal legislation. This should lead to a new Municipal Government Act which would set out the framework for the operation of local government for the 1990s and into the 21st century.

A comprehensive review of the Municipal Government Act was last undertaken in the mid-1960s. The current review is in response to representations from the municipal associations, individual municipalities, interested groups and other persons. The review is being undertaken by a Municipal Statutes Review Committee.

The focus of the review is the Municipal Government Act but, as indicated in its title, the committee has a mandate to review and make recommendations on the entire

system and process of municipal government in Alberta. In the spirit of the regulatory reform movement, the committee will be interested in suggestions for simplifying municipal government processes while protecting the rights of individuals and the general public interest.

The composition of the Municipal Statutes Review Committee is:

1 MLA to act as chairman

2 members appointed by the province

2 representatives of the AAMD&C

2 representatives of the AUMA

1 representative of the IDAA

The Committee will receive submissions from interested groups, organizations and individuals. It will review emerging trends in other jurisdictions and will present a report to the Minister. Secretariat services to the committee will be provided by this Division.

School Fiscal Year Task Force

The Division assisted in expressing municipal concerns to the task force reviewing proposals for a revised fiscal year for schools in Alberta. The Division was especially concerned with the impact such a change would have on the county system where there would, in effect, be one fiscal year for school purposes and one for municipal purposes.

Representation and Liaison

Members of the Division represented the Department on the following interdepartmental or provincial/municipal entities:

- Advisory Committee on Local Government Studies
- Calgary Olympics Co-ordinating Committee
- Edmonton Downtown Development Corporation
- Pension Policy Task Force
- Provincial Achievement Awards Program
- Public Service Management Pension Board
- Railway Relocation Co-ordinating Committee
- Regulatory Reform Project
- School Fiscal Year Committee
- Special Relations Committee
- Special Wastes Transportation Task Force
- Statistics Co-ordinating Committee
- Trade Policy Committee
- Winter Cities Conference Corporation

In addition, staff provided advisory services and participated in the meetings of the:

- Alberta Association of Municipal Districts and Counties (AAMD&C)
- Alberta Urban Municipalities Association (AUMA)
- Association of Summer Villages of Alberta (ASVA)
- Canadian Association of Municipal Administrators (CAMA)
- City Clerks and Election Officers Association
- Federation of Canadian Municipalities (FCM)
- First Canadian Conference on Municipal Infrastructure
- Government Finance Officers Association (GFOA)
- IDAA
- Local Government Administrators Association (LGA)
- Municipal Aid and Trade Conference

The assistant deputy minister accompanied the deputy minister in his annual series of meetings with the senior administrative officials of each city and the quarterly meetings with the executive directors of the Alberta Association of Municipal Districts and Counties (AAMD&C) and Alberta Urban Municipalities Association (AUMA).

Publications

In an effort to better serve Alberta municipalities. The Division put considerable effort into producing publications which it felt would help municipalities in their operations.

The initial distribution of the Municipal Administrators Handbook occurred in June. The manual now contains three volumes featuring material produced by the Department on important topics of interest and use to municipal officials and is being added to on a regular basis.

A Municipal Accounts Coding Structure Manual was developed as a guide for use of the standardized account coding used in the preparation of municipal budgets and financial statements.

Alberta's Local Governments — People in Community Seeking Goodness was prepared as part of the background work for the Municipal Statutes Review Committee. This book presents a review of past and present municipal life and speculates on the future of Alberta municipalities.

The Division undertook a survey of residential property charges in urban communities (taxation, water, sewerage and garbage collection user fees) and published the results of the survey.

The Division also published:

- Equalized Assessment Statistics, 1986;
- Keeping Your Private Interests in Harmony With the Public Interest;
- Manual of Alberta Municipal Assistance Programs;
- Municipal Involvement Week Handbook;
- Now That You've Been Elected; and,
- Running for Municipal Office in Alberta.

Training Initiatives

The Division continued its long tradition of preparing and delivering courses for the Municipal Refresher Course in Banff and the Elected Officials Seminar in Red Deer.

It also continued with its involvement in the preparing and delivering courses of the Local Government Studies Citation Program sponsored by the University of Alberta.

Division staff made numerous visits to individual municipalities to provide guidance and assistance on various matters.

Legislation

The Division was involved in the preparation of legislation for the incorporation of the Municipal District of Bighorn No. 8 and participated in reviews of the County Act and the Municipal Taxation Act and proposals by other departments for a new School Act and Police Act.

Inspections

Three hundred and thirty municipal inspections were carried out to review administrative procedures and practices, legislation and the financial condition of municipalities. The inspection visit also provides an opportunity to offer advisory services to administrative personnel and to discuss issues and problems with elected officials if requested.

As part of its determination to serve the needs of its clientele, the Municipal Services Branch undertook a review of the inspection process. This review has led to the development of a new municipal advisory program which will come into effect in 1987.

As of March 31, 1987, the number of incorporated municipalities in Alberta totalled 352. There were 16 cities, 110 towns, 126 villages, 50 summer villages, 30 counties and 20 municipal districts.

There are 13 improvement districts and three special areas. In addition, there are five National Park improvement districts administered by the federal government and the Kananaskis Country improvement district which is administered through Alberta Recreation and Parks.

Assistance Programs

Details of the disbursements to municipalities and Albertans were:

Assistance to Municipalities

Unconditional Municipal Assistance Grants to Municipalities:

16	cities	$ 44,742,797
110	towns	14,572,296
126	villages	3,003,291
50	summer villages	297,603
30	counties	21,796,970
20	municipal districts	10,349,393
14	improvements districts	4,492,890
	special areas	1,129,284
3	collecting school districts	333,775
	Total	$100,718,299

Special Assistance Grants

3	cities	$ 554,530
7	towns	31,658
2	villages	11,000
1	municipal district	6,682
2	improvement districts	16,790
	Sub-Total	$ 620,660
	Municipal Anniversary Recognition Grants	22,590
	Total	$ 643,250

Edmonton Annexation Transitional Assistance Grants

2	counties	$1,572,595
1	municipal district	269,554
	Total	$1,842,149

Municipal Debenture Interest Rebate Program

15	cities	$102,439,583
107	towns	11,818,014
103	villages	1,343,930
4	summer villages	21,487
22	counties	1,236,257
14	municipal districts	170,617
9	improvement districts	220,307
4	regional services commissions	432,493
	Total	*$117,682,688

* Included in the above figure are debenture prepayment penalties and adjustments totalling $2,632,298.

Alberta Municipal Partnership in Local Employment (AMPLE) Program (initial payment to all municipalities)

Total	$2,275,694

Senior Citizen Self-Contained Apartment Program Grants were paid to 6 cities, 2 towns, and 2 villages,

Total	$621,507

The Ethno-Cultural Provincial School Levy Abatement Program was introduced and payments were made to 29 ethno-cultural organizations

Total	$39,822

Assistance to Individuals

Senior Citizens Renter Assistance Program

Regular ($1200 x 25,988)	$31,185,600
Subsidized Housing ($600 x 16,157)	9,694,200
Owner-Occupied Mobile Home ($1000 x 1,906)	1,906,000
Total Applications	44,051
Total Disbursed (including prior years applications)	$42,785,800

Property Tax Reduction

Senior Citizen Applications	82,713
Non-Senior Citizen	79,471
Total Applications	162,184
Amount Disbursed Senior Citizen	$55,072,163
Amount Disbursed Non-Senior Citizen	7, 509,841
Total	$62,582,004
Administration Fees	$842,191
Prior Years Benefits	1,279,697
School Tax Credits	378,958
Total	$65,082,850

The Edmonton Annexation Provincial School Abatement Program concluded with payment of 1986 rebates

Total	$44,735

Two programs previously administered by the division, Priorities Employment Program (PEP) and Summer Temporary Employment Program (STEP), were transferred to the Personnel Services Branch.

Property Administration

The Tax Recovery and Property Administration Branch provided assistance to the Municipal District of Cypress No. 1 in disposing of 47 parcels of tax recovery and Crown land for a return of $782,090. These sales were implemented in accordance with a land sales policy established by the Minister.

Assistance in developing a tax recovery land sales policy was provided to the County of Forty Mile No. 8 by the Branch and approved by the Department on August 29, 1986.

Sale applications of tax recovery land under this policy totalled 39 to March 31, 1987.

Land Bank Administration

During the late 1970s and early 1980s the Department of Housing established land banks on behalf of Alberta Treasury around major growth areas as one measure to help ensure the provision of residential land and housing for long term needs. Currently, the land bank administers approximately 12,204 acres throughout the province.

The financial administration of these lands rests with Alberta Treasury. However, on June 5, 1986, the Minister of Municipal Affairs assumed the administration of these lands on behalf of Alberta Treasury. The major land administration functions consist of leasing the lands and granting easements and various permits.

Regional Municipal Services Commissions

Continued efforts were made to assist in the organization of agencies to deal with the provision of regional utilities. There are seven regional commissions currently in operation and several groups are actively organizing under the empowering legislation, including:

- Wainwright Regional Utilities Services Commission;
- Lethbridge Regional Waste Management Services Commission; and,
- Youngstown-0yen (east central Alberta) Regional Utilities Services Commission.

Policy and Research Studies

Policy and Research services continue to be provided to the Division and the Department. The major thrust of research work this past year has been in the area of new incorporations. Activities to this end included:

- preparing an information report and sponsoring open houses as part of a public consultation process regarding the formation of a municipal district in the Drayton Valley area;
- preparing reports on the financial aspects of incorporation of the National Park communities of Jasper and Banff;
- assisting the Improvement Districts and Native Services Division in the preparation of a feasibility study for the incorporation of I.D. 15;
- preparing a report on the financial feasibility of incorporating I.D. 14; and,
- cooperating with the Planning Services Division in the preparation of future form of government studies for I.D.'s 19 and 20.

Oil Well Completions

Information received from the Energy Resources Conservation Board is provided to municipalities for use in calculation of the oil well drilling tax. A summary record of oil well completions is maintained for statistical information and audit purposes. The following is a summary of the locations of oil well completions during the fiscal year:

	1986	1987
Counties	1,847	1,185
Municipal Districts	1,663	1,063
Improvement Districts	1,956	1,355
Metis Settlements	34	18
Special Areas	292	256
Others	14	4
Total	5,806	3,881

Tax Recovery

Following is a summary of approved tax recovery sales:

Cities, Towns and Villages — The sale of occupied properties to their respective residents by cities involved three parcels for a return of $34,860 (unoccupied parcels in the cities do not require Ministerial approval). Sales of occupied and unoccupied parcels in towns and villages during the past year totalled 36 for a return of $239,122

Improvement Districts and Special Areas — There were 546 parcels listed (51 of which were redeemed prior to sale), 495 advertised and 227 offered for sale in 16 tax sales held by the Branch. No parcels were sold at public auction but five parcels were sold at private sales in improvement districts for a return of $7,434.

Counties and Municipal Districts — A total of 59 parcels were sold for a return of $328,731.

Special Areas Land Sales — A total of 118 applications were processed covering sale of land in the special areas and approved by the Special Areas Board to lessees wishing to acquire land. Total sale value amounted to $1,957,850.

Collections — Some $5,068 was collected in improvement districts for rental of tax recovery land relative to licenses of occupation, grazing leases, cultivation leases and miscellaneous leases. Sale of sand and gravel realized $4,722. Also, $6,214 in outstanding Agricultural Relief Advance receipts were collected in improvement districts. Recommendations were made to the Agricultural Relief Adjustment Board regarding compromise settlements of accounts which were irretrievably in arrears, or cancellation of uncollectable accounts.

Financial Services

The annual financial statements and budgets from all 366 Alberta municipalities were reviewed. The Division also reviewed statements of all the improvement districts and special areas. Data from these sources, after being reviewed for accuracy and uniformity, is stored in Alberta Municipal Finance Information System (AMFIS), the computerized data system for municipal financial information. Data from this source is provided to municipalities for comparative studies, municipal operations and finance.

Planning Services Division

PLANNING SERVICES DIVISION

In keeping with the general restraint policy of the government, the Division reduced its establishment by downsizing from four branches to three. This was accomplished by the amalgamation of the Inter-Agency Planning and Research Planning and Development branches into one branch — the Research and Development Branch. Two permanent positions were also removed from the staff complement.

Although manpower resources were reduced, the level of demand for land use planning services continued to be very high, requiring an increasingly judicious deployment of available staff and other resources. The Branches of the Division carried out their mandate very effectively, undertaking a variety of activities necessary to ensure the development and delivery of effective community planning services.

A summary of the activities of the Division's three Branches is contained below.

Planning Branch

The Planning Branch continued to provide regional and municipal land use planning services to those municipalities not served by a regional planning commission (RPC). These services included consultative advice to municipalities on a broad range of land use and development matters, including the preparation, adoption, maintenance and operation of general municipal plans, area structure plans and land use bylaws. Senior staff, as delegated by the Minister, acted as subdivision approving authorities for that area of the province for which the Branch has responsibility.

Services were provided to over 80 municipalities within the Division's jurisdiction. The 1986/87 fiscal year saw a great emphasis on Airport Vicinity Protection Area (AVPA) programs. In this regard, 10 airports received attention.

The Branch also represented the Department on a number of statutory committees including the Crown Mineral Disposition Review Committee, the Exploration Review Committee and the Development and Reclamation Review Committee. One staff member was appointed to the Land Conservation and Reclamation Council to carry out reclamation certificate appeals under section 58 of the Land Surface Conservation and Reclamation Act. The Branch also processed most of the land use related interdepartmental referrals on behalf of the Department.

The level of subdivision applications remained relatively high in spite of a seemingly soft economy.

A synopsis of activities for the units within the branch follows.

Lakeland Unit

Lakeland Unit staff provided planning services to 17 urban and rural municipalities and two Metis Settlements in northeastern Alberta. Two general municipal plans, five community studies, one land use bylaw, and two lake management studies were undertaken in this fiscal year.

Staff was also involved in four census programs and one Metis Settlement plan.

Although restrained by reduced levels of manpower, the unit maintained high levels of productivity, budget efficiency and effectiveness in serving client municipalities.

Parkview Unit

Unit staff provided planning services to 35 urban and rural municipalities and four Metis Settlements. Major undertakings included three general municipal plans, two community plans, nine land use bylaws, and two lake management studies/area structure plans.

A variety of other planning projects and reports were also completed including urban land use inventory mapping, municipal street addressing systems, and a downtown facade improvement study. Ongoing planning support was provided to several local municipal economic development committees. Unit staff participated in municipal needs assessment follow-up sessions with client municipalities. Staff was also involved in urban census training. developing and producing a census training video, developing a presentation skills training course, and organizing the 1986 annual conference of the Alberta Association, Canadian Institute of Planners and preparing the conference proceedings report.

Prairie Unit

Unit staff supplied requested planning services to 30 urban and rural clients in east-central Alberta. Activities and products delivered included the preparation and review of general municipal plans and land use bylaws as well as the preparation of outline plans and census reports.

In addition, the Killam, Lethbridge, High River and Forestburg airports were regulated under the Airport Vicinity Protection Area (AVPA) program. Also, at the request of the respective councils, the development of an additional six AVPA regulations were started. When these six are completed, approximately 45 percent of the provincial air transport system will be benefiting from this program.

Subdivision Unit

Unit staff provided technical processing and circulation of subdivision applications for 85 municipalities not included in regional planning commissions. A breakdown of subdivision activities follows:

Applications Received

Plans of Survey	124
Other Instruments	250
Outline Plans	4
SUB TOTAL	378
Withdrawn by applicant	(5)
85/86 Files Carried Over	94
TOTAL	467

Decisions Made

Approved	57
Conditional Approval	299
Refusals	49
Deemed Refusals	10
SUB TOTAL	415
Files Carried Over to 87/88	52
TOTAL	467
Alberta Planning Board Appeals Attended	38
Instruments endorsed	342 (787 lots)

Research and Development Branch

The 1986/87 fiscal year was a formative one for the Research and Development Branch. Created through the amalgamation of the former Planning Research and Development Branch and Inter-Agency Planning Branch, this downsizing action consolidated the special planning and technical support functions in Planning Services Division into one unit. Combining the mandates of its predecessors, the new Branch undertakes in-depth research into planning related problems and/or concerns. The Branch also provides advice and assistance to other divisions in the department and to regional planning commissions, the Alberta Planning Board, municipalities and other government departments.

Specific projects involving the branch staff during the 1986/87 fiscal year are summarized below.

Legislation

Planning Act Amendments: A number of requests for changes to the Planning Act were researched and discussed with various agencies. A Planning Act Exemption Regulation was prepared for discussion purposes.

Subdivision Regulations: These regulations made pursuant to the Planning Act required amendments which were formulated by branch staff. The recommended changes were incorporated in the amended regulation.

Lot Levies and Development Charges: Continuation of the provision of technical and research assistance to the Advisory Committee on Development Charges and Off-site Levies resulted in the preparation and release of a report by the committee containing 31 recommendations. The report was circulated for comment. A total of 75 responses were received. These were analyzed and a summary report was prepared.

Regional Plans: The new Branch retains the previous role of Inter-Agency Planning Branch with regard to regional plans. Several planning commissions requested amendments to their regional plans. Members of the staff worked closely with the RPCs to prepare the amendments for review by the Alberta Planning Board.

Advice and Assistance

A municipal planning and finance model (called "Impact") was applied to eight more communities bringing the total number assisted to 20 towns and cities. In addition, the subdivision model was utilized in conjunction with Impact to assist two municipalities in their evaluation of specific development proposals. Interest in this program remains high.

Development Appeal Board (DAB) Training: A package of material was prepared for use by regional planning commissions and municipalities to conduct training seminars for Development Appeal Board members. The Branch assisted these agencies by holding seminar leader training sessions. Three such leader workshops were held training a total of 30 people. The Branch supports these efforts through the provision of materials and advice and assistance when requested.

Municipal Planning Commission Training: This program will be similar in concept to that of the DAB. A start has been made on this program and will be finalized during the 1987/88 fiscal year.

Municipal Census Processing: The Branch continued to process municipal census for 12 communities with a total population of 23,294.

Downtown Revitalization: Interest has remained high in the Revitalizing Downtown Alberta kit prepared by the Branch as a guide to help municipalities develop a program to address the downtown issue in their communities. In conjunction with this, staff provided advice and assistance to municipalities interested in utilizing the kit. The Branch also established a downtown information exchange network through the Municipal Councillor magazine Articles for publication are prepared by staff.

Research related to public/private urban development corporations and associated arrangements was carried out.

Dissemination of Information

Planning in Alberta: This publication was prepared particularly to help elected officials and administrative staff of local government understand the various mechanisms required by, or available through, Alberta's planning legislation. The final report was distributed widely to all municipalities, libraries, regional planning commissions, educational institutions and government departments.

Data Sources: A second update of this comprehensive reference document showing planning related sources of information was completed during the fiscal year. It has been printed and is awaiting distribution.

The Branch has continued to disseminate information on planning related matters through the distribution of publications completed in prior years. Included here are Managing Community Planning, Energy Management for Municipalities resource kit, Home Occupations report and the Pipeline Planning report.

Other Research

Shopping Centre Study: Additional research was conducted to test the effectiveness of a methodology for analyzing the impact of peripheral shopping centre development on smaller urban municipalities.

Bonusing: A study was undertaken on the potential role of municipal development incentives in encouraging economic growth. The first stage, a review of present developer incentive practices in North America, was completed. A consultant has been retained to assist the Branch with specific aspects of the subject.

Lots and Service Availability Study: On behalf of Municipal Services Branch, the Branch undertook a pilot study on residential, commercial and industrial land availability throughout the province. Eighty-one municipalities were surveyed. This study may be broadened to cover all urban municipalities as a means of developing an ongoing urban land availability data base for the province.

In addition to these specific projects, staff has been actively involved in a wide range of topics through the provision of advice and assistance to other government departments and agencies. Some of these were: helping to develop the Alberta conservation strategy with the Environment Council of Alberta, and serving on the steering Committee for the West Trails/Dinosaur Country Association.

Planning Support Services Branch

The Branch continued to provide cartographic drafting, graphics, municipal engineering, photo lab and other technical support services necessary to complete land use planning documentation. Moreover, it updated municipal land use, compiled maps and plans pertaining to the Division's land use planning jurisdiction. It also served in a coordinating capacity in ensuring all divisional administrative requirements were effectively handled.

Several Airport Vicinity Protection Area (AVPA) maps were constructed on behalf of Divisional planners. These maps illustrate proposed land usage in the vicinity of airports.

A summary of the activities undertaken by this Branch during the 1986/87 fiscal year follows.

Drafting Services

The drafting technologists provided cartographic, drafting, graphics and other technical data required for use in planning documents. These included maps, charts, statistical tables, artwork, photographs and air photo mosaics required to illustrate proposed land usage in the preparation of general municipal plans, area structure plans, area redevelopment plans, land use bylaws and research and development projects. This unit prepared presentation packages and other visual aids used in presenting land use planning work to municipal councils and other planning practitioners.

Also, staff of the drafting unit updated a number of legal land use compiled maps and plans of municipalities within the Planning Services Division's land use planning jurisdiction outlined in the 1986/87 regional planning commission boundary map.

During the fiscal year

- 295 requests for illustrative mapping work were handled;
- 115 updates of legal land use compiled maps were undertaken;
- there were 3,643 requests for prints of compiled maps from the print room;
- School District maps were updated on behalf of Alberta Education;
- hospital district boundary maps were updated on behalf of Alberta Hospitals and Medical Care; and
- Ten AVPA maps were prepared for divisional planning officers.

Engineering Services

This one-person unit continued to provide assistance, as requested, to professional planners. In the area of ground control surveys, aerial photography, contour mapping procurement and other municipal engineering consultative services. During the 1986/87 fiscal year, the unit:

- evaluated a geotechnical report for an area of Lac La Biche;
- procured aerial photographs for 15 municipalities under the division's land use planning jurisdiction;
- carried our ground control surveys in 10 municipalities;
- indexed all field books of the last 20 years;
- indexed aerial photographs on hand in the division; and
- provided general consultative advice on municipal engineering requirements of the division.

Photo Lab

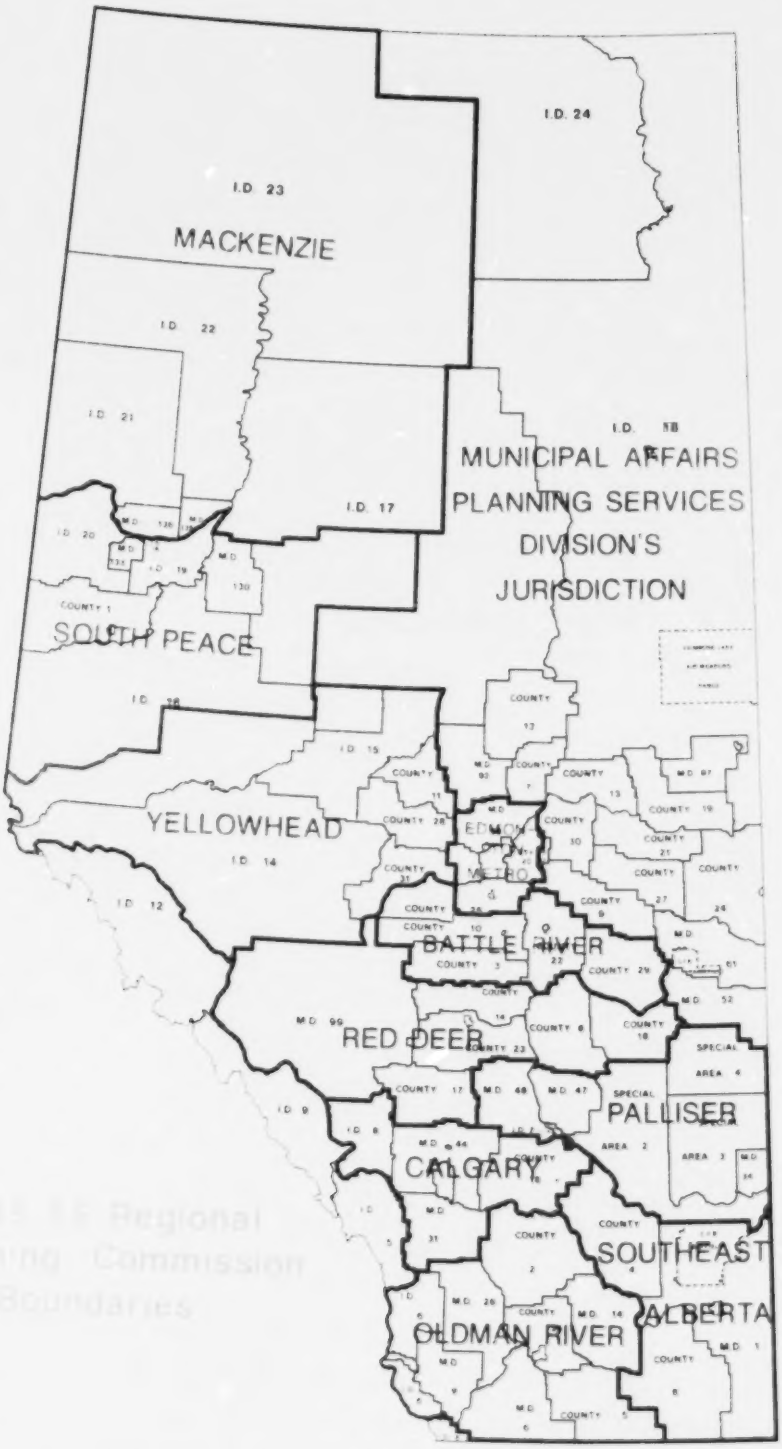
The unit provided reproduction services including the production of negatives, positives, half-tones, enlargements, reductions, composite prints and other darkroom work required in conducting land use planning work. The volume of work undertaken by this one-person unit continued to be very high.

During the year, 1367 requests were processed.

Administrative Support

The administrative support component of the Branch continued to coordinate the division's general administrative requirements. This included handling of accounts payable, personnel matters, and overall general administrative policies and procedures.

The year 1987 is the Department's 75th anniversary year. The Branch played a role in providing technical/artistic assistance in the preparation of materials relating to anniversary activities. Among other things this included production of the Department's 75th anniversary display in conjunction with the Communications Branch. The branch director was also the divisional representative on the Department's 75th Anniversary Committee.


I.D. 24
I.D. 23
MACKENZIE
I.D. 22
I.D. 21
I.D. 18
MUNICIPAL AFFAIRS
PLANNING SERVICES
DIVISION'S
JURISDICTION
I.D. 17
I.D. 20
I.D. 19
SOUTH PEACE
I.D. 16
I.D. 15
YELLOWHEAD
I.D. 14
I.D. 12
BATTLE RIVER
RED DEER
I.D. 9
CALGARY
PALLISER
SOUTHEAST
ALBERTA
OLDMAN RIVER

Associated Boards

ALBERTA ASSESSMENT APPEAL BOARD

Fewer rural municipalities conducted general assessments for the 1986 taxation year and, as a result, the number of appeals was down in those municipalities. The trend towards more complex legal and technical arguments continued as well as the tendency towards more appeals in the larger urban municipalities.

Because of the reassessment in Edmonton and Calgary, fluctuating economic conditions, technical and legal challenges and complaints now before the courts of revision, a considerable increase in the number of appeals is expected in the next fiscal year.

Appeals filed with the Board were completed prior to fiscal year end, with the exception of those set over awaiting judicial decisions and those that were not submitted to the Board until late in the fiscal year.

Following is a breakdown, by municipality, of appellants and items heard:

Municipalities	Appellants	Items
12 Cities	400	4348
22 Counties	111	381
4 Improvement Districts	17	186
8 Municipal Districts	36	175
3 School Districts	3	4
1 Irrigation District	1	1
35 Towns	73	457
9 Villages	14	27
93	655	5,579
Equalized Assessment Appeals	3	6
Electric Power & Pipeline Assessment Appeals (all withdrawn)		7
	665	5,585

The Board issued 67 written decisions. Other decisions were given orally and subsequently confirmed in writing.

Charts filed as an appendix to this report show the disposition of all appeals heard by the Board during the fiscal year.

Membership on the Board consists of:

Peter Klompas, Chairman
Allen Lymburner, Secretary Member
John Chaney, Member
James Swelin, Member
Gerald C. Basler, Member
Jacob Schmidt, Member

1986 APPEALS
ALBERTA ASSESSMENT APPEAL BOARD

SUMMARY OF 1986 APPEALS	Appellants	LAND						IMPROVEMENTS						BUSINESS						LOCAL IMPROVEMENTS						TOTAL
		Land Assess.	Adj.	Conf.	Dism.	C/Q	WD	Imp. Assess.	Adj.	Conf.	Dism.	C/Q	WD	Bus. Assess.	Adj.	Conf.	Dism.	C/Q	WD	Loc. Improv.	Adj.	Conf.	Dism.	C/Q	WD	
12 Cities	400	2513	281	75	784	9	1364	1633	294	37	45	1	1256	191	7	38	140	2	4	11	1	1	8	1		4348
22 Counties	111	295	64	50	104	77		79	31	20	21	5	2							7	4	1			2	381
4 Improvement Districts	17	175	2	169	2		2	11	2		1		8													186
8 Municipal Districts	36	67	23	33	6	5		108	7	4	5	92														175
3 School Districts	3	3	2	1				1	1																	4
1 Irrigation District	1	1			1																					1
35 Towns	73	391	322	51	16		2	60	31	17	10		2							6	5	1				457
9 Villages	14	16	5	2	8		1	11	5	3	3															27
TOTALS	655	3461	699	381	921	91	1369	1903	371	81	85	98	1268	191	7	38	140	2	4	24	10	3	8	1	2	5579

Legend of Abbreviations:

Assess. - Assessments
Adj. - Adjusted
Conf. - Confirmed
Dism. - Dismissed
Improv. - Improvements
Bus. - Business
C/Q - Cancelled or quashed
WD - Withdrawn

1986 APPEALS
ALBERTA ASSESSMENT APPEAL BOARD

IRRIGATION DISTRICTS	Appellants	LAND						IMPROVEMENTS						BUSINESS						LOCAL IMPROVEMENTS						TOTAL
		Land Assess.	Adj.	Conf.	Dism.	C/Q	WD	Imp. Assess.	Adj.	Conf.	Dism.	C/Q	WD	Bus. Assess.	Adj.	Conf.	Dism.	C/Q	WD	Loc. Improv.	Adj.	Conf.	Dism.	C/Q	WD	
Western Irrig. District	1	1			1																					1
TOTALS	1	1			1																					1

1986 APPEALS
ALBERTA ASSESSMENT APPEAL BOARD

CITIES	Appellants	LAND						IMPROVEMENTS						BUSINESS						LOCAL IMPROVEMENTS						TOTAL
		Land Assess.	Adj.	Conf.	Dism.	C/Q	WD	Imp. Assess.	Adj.	Conf.	Dism.	C/Q	WD	Bus. Assess.	Adj.	Conf.	Dism.	C/Q	WD	Loc. Improv.	Adj.	Conf.	Dism.	C/Q	WD	
Airdrie	3	4		1	1		2	3	2		1															7
Edmonton	101	1899	7	21	649	1	1221	1268	34	19	23		1192	182	6	37	138	1		11	1	1	8	1		3360
Calgary	217	467	246	12	99	8	102	265	218	5	6	1	35	7	1	1	2	1	2							739
Fort McMurray	13	81	13	24	8		36	51	17	1	8		25													132
Fort Saskatchewan	24	23	11	4	8			20	15	1	4															43
Grande Prairie	4	2			1		1	3		1	1		1	1					1							7
Lethbridge	4	4	2	2				3	1	1			1													7
Leduc	1	1					1	1					1													2
Medicine Hat	9	5		1	4			5	3	2																10
Red Deer	7	3		1	1		1	4	1	1	1		1	1					1							7
Spruce Grove	2	11		1	10			1	1																	12
St. Albert	15	13	2	8	3			9	2	6	1															22
TOTALS	400	2513	281	75	784	9	1364	1633	294	37	45	1	1256	191	7	38	140	2	4	11	1	1	8	1		4348

1986 APPEALS
ALBERTA ASSESSMENT APPEAL BOARD

SCHOOL DISTRICTS	Appellants	LAND						IMPROVEMENTS						BUSINESS						LOCAL IMPROVEMENTS						TOTAL
		Land Assess.	Adj.	Conf.	Dism.	C/Q	WD	Imp. Assess.	Adj.	Conf.	Dism.	C/Q	WD	Bus. Assess.	Adj.	Conf.	Dism.	C/Q	WD	Loc. Improv.	Adj.	Conf.	Dism.	C/Q	WD	
#4233 Waterton Park	1	1		1																						1
#102 Banff	1	1	1					1	1																	2
#1063 Lake Louise	1	1	1																							1
TOTALS	3	3	2	1				1	1																	4

1986 APPEALS
ALBERTA ASSESSMENT APPEAL BOARD

COUNTIES	Appellants	LAND						IMPROVEMENTS						BUSINESS						LOCAL IMPROVEMENTS						TOTAL
		Land Assess.	Adj.	Conf.	Dism.	C/Q	WD	Imp. Assess.	Adj.	Conf.	Dism.	C/Q	WD	Bus. Assess.	Adj.	Conf.	Dism.	C/Q	WD	Loc. Improv.	Adj.	Conf.	Dism.	C/Q	WD	
#1 Grande Prairie	3	3	1	1	1			1			1															4
#2 Vulcan	5	7	5	1	1			2		1	1															9
#3 Ponoka	14	10	2	2	6			14	5	1	7	1														24
#5 Warner	2	4		4				1			1															5
#7 Thorhild	10	16	9	7				2	1	1																18
#9 Beaver	2	2	2					2	1	1																4
#10 Wetaskiwin	6	8	1	4	3			1	1											3		1			2	12
#11 Barrhead	13	74	4	5	65			4	2	1		1														78
#12 Athabasca	3	3	2	1																						3
#13 Smoky Lake	2	3	2	1																						3
#17 Mountain View	6	4	1	1	2			6	2	2	2															10
#19 St. Paul	1							1		1																1
#20 Strathcona	3	3		2	1			2	2																	5
#21 Two Hills	12	13	5	2	4	2		27	14	9	1	1	2													40
#22 Camrose	2																			4	4					4
#23 Red Deer	10	40	16	6	18			8	2	1	5															48
#25 Leduc	4	76		1		75		1	1																	77
#26 Lethbridge	4	18	8	10				2		1		1														20
#27 Minburn	2	2	2					1				1														3
#28 Lac Ste Anne	2	3	2		1			1			1															4
#30 Lamont	4	5	2	1	2			2			2															7
#31 Parkland	1	1		1				1		1																2
TOTALS	111	295	64	50	104	77		79	31	20	21	5	2							7	4	1			2	381

1986 APPEALS
ALBERTA ASSESSMENT APPEAL BOARD

IMPROVEMENT DISTRICTS	Appellants	LAND						IMPROVEMENTS						BUSINESS						LOCAL IMPROVEMENTS						TOTAL
		Land Assess.	Adj.	Cont.	Dism.	C/Q	WD	Imp. Assess.	Adj.	Cont.	Dism.	C/Q	WD	Bus. Assess.	Adj.	Cont.	Dism.	C/Q	WD	Loc. Improv.	Adj.	Cont.	Dism.	C/Q	WD	
#7	1	1					1	1					1													2
#8	1	1					1	1					1													2
#18	13	8	2	4	2			9	2		1		6													17
#18-North	2	165		165																						165
TOTALS	17	175	2	169	2		2	11	2		1		8													186

1986 APPEALS
ALBERTA ASSESSMENT APPEAL BOARD

MUNICIPAL DISTRICTS	Appellants	LAND						IMPROVEMENTS						BUSINESS						LOCAL IMPROVEMENTS						TOTAL
		Land Assess.	Adj.	Cont.	Dism.	C/Q	WD	Imp. Assess.	Adj.	Cont.	Dism.	C/Q	WD	Bus. Assess.	Adj.	Cont.	Dism.	C/Q	WD	Loc. Improv.	Adj.	Cont.	Dism.	C/Q	WD	
#1 Cypress	2	2		1	1			2		1	1															4
#26 Willow Creek	1	2		2				2	1	1																4
#31 Foothills	12	15	4	5	1	5		12	2		2	8														27
#44 Rocky View	7	13	9	2	2			2	2																	15
#61 Wainwright	1	1			1			1			1															2
#90 Sturgeon	4	23	2	20	1			3		2	1															26
#92 Westlock	7	11	8	3				2	2																	13
#99 Clearwater	1							84				84														84
TOTALS	36	67	23	33	6	5		108	7	4	5	92														175

1986 APPEALS
ALBERTA ASSESSMENT APPEAL BOARD

TOWNS	Appellants	LAND						IMPROVEMENTS						BUSINESS						LOCAL IMPROVEMENTS						TOTAL
		Land Assess.	Adj.	Cont.	Dism.	C/O	WD	Imp. Assess.	Adj.	Cont.	Dism.	C/O	WD	Bus. Assess.	Adj.	Cont.	Dism.	C/O	WD	Loc. Improv.	Adj.	Cont.	Dism.	C/O	WD	
Athabasca	1	53	43	10				1	1																	54
Barrhead	2	1		1				2	2																	3
Beaverlodge	1																			1	1					1
Blackfalds	1	1	1																							1
Brooks	2	2		1	1			1		1																3
Cardston	1							1	1																	1
Claresholm	1	1	1																							1
Cold Lake	5	5	4	1																						5
Falher	1							1	1																	1
Fort Macleod	3	3		3				4	3	1																7
Gibbons	1	221	221																							221
Grimshaw	1	1	1																							1
High Level	1																			1	1					1
Irvine	1							1		1																1
Killam	1	1		1				1		1																2
Lamont	1	1		1				1	1																	2
Milk River	1	1	1					1	1																	2
Morinville	5	9	4	5				7	6	1																16
Nanton	3	4	3				1	5	3	1			1													9
Peace River	3	12		1	11			8			8															20
Ponoka	13	18	6	10	1		1	14	7	6			1													32
Redcliff	1	1			1																					1
Redwater	4	4	1	2	1			1			1															5
Rocky Mountain House	3	38	32	6				2	1	1																40
Sexsmith	2																			2	2					2
Stettler	1																			1		1				1
Stony Plain	2	2	1	1				1		1																3
Strathmore	1	1		1																						1
Two Hills	1	1		1				1	1																	2
Valleyview	1	1	1					1	1																	2

continued

1986 APPEALS
ALBERTA ASSESSMENT APPEAL BOARD

TOWNS, continued	Appellants	LAND						IMPROVEMENTS						BUSINESS						LOCAL IMPROVEMENTS						TOTAL
		Land Assess.	Adj.	Conf.	Dism.	C/Q	WD	Imp. Assess.	Adj.	Conf.	Dism.	C/Q	WD	Bus. Assess.	Adj.	Conf.	Dism.	C/Q	WD	Loc. Improv.	Adj.	Conf.	Dism.	C/Q	WD	
Vegreville	3	2	1	1				3	2	1																5
Vermilion	1	1			1			1			1															2
Westlock	1	4	1	3																						4
Whitecourt	1																			1	1					1
Mun. of Crowsnest Pass	2	2		2				2		2																4
TOTALS	73	391	322	51	16		2	60	31	17	10		2							6	5	1				457

1986 APPEALS
ALBERTA ASSESSMENT APPEAL BOARD

VILLAGES	Appellants	LAND						IMPROVEMENTS						BUSINESS						LOCAL IMPROVEMENTS						TOTAL
		Land Assess.	Adj.	Conf.	Dism.	C/Q	WD	Imp. Assess.	Adj.	Conf.	Dism.	C/Q	WD	Bus. Assess.	Adj.	Conf.	Dism.	C/Q	WD	Loc. Improv.	Adj.	Conf.	Dism.	C/Q	WD	
Acme	1	2	2					1	1																	3
Berwyn	1							1		1																1
Coalhurst	1	1	1					1	1																	2
Morrin	1	3			3			2			2															5
Standard	1	1		1				1	1																	2
Warspite	1							1		1																1
SUMMER VILLAGES																										
Nakamun Park	3	5			4		1	1	1																	6
Ross Haven	4	4	2	1	1			2	1		1															6
Whispering Hills	1							1		1																1
TOTALS	14	16	5	2	8		1	11	5	3	3															27

1986 EQUALIZED ASSESSMENT APPEALS

ALBERTA ASSESSMENT APPEAL BOARD

	No. of Appellants	Confirmed	Reduced	Dismissed	Withdrawn
EQUALIZED ASSESSMENTS	3				3
EQUALIZED ASSESSMENTS (Varied for purposes of the Provincial School Foundation Fund)					3
TOTALS	3				6

ELECTRIC POWER AND PIPE LINE ASSESSMENT APPEALS

E.P.P.L. ASSESSMENTS	7				7
TOTALS	7				7

ALBERTA ASSESSMENT EQUALIZATION BOARD

The 1987 provincial equalized assessment, used to establish the apportionment of requisitions among municipalities, totalled $20.6 billion. This represents a decrease from the 1986 equalized assessment of less than one half of one percent.

The reduction recognized:

- depressed and declining market values of non-farmland;
- a decline in building projects;
- a minimal increase in material and labour costs; and
- a reduction in the statutory level of assessment of machinery and equipment.

Equalized assessments established for use in 1986 and 1987 were determined on the basis of 1984 and 1985 data, respectively.

Municipalities contributed approximately $150,500,000 to the Provincial School Foundation Program Fund, based on an equalized assessment of $9.7 billion.

A $100 million increase in equalized assessment, determined for purposes of the Provincial School Foundation Program, in combination with an increase in the mill rate from 14.7 to 15.5, has resulted in an overall increase to the fund of $9.2 million.

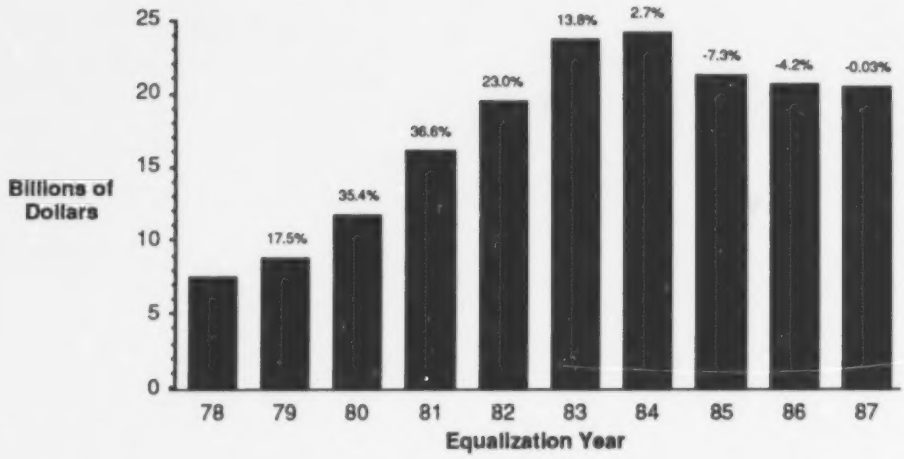
Total equalized assessments for the province in the last 10 years, together with the annual percentage increase/decrease, are illustrated on Graph #1. Equalized assessments for the School Foundation Program Fund are illustrated on Graph #2. Contributions to the fund and the annual percentage increase/decrease over the previous year are illustrated on Graph #3.

Production of equalized assessments by computer has enabled the Assessment Equalization Board to initiate procedural changes which permit each municipality an opportunity to preview the equalized assessment and to discuss contentious issues with the Board prior to finalization. No appeals were registered with the Alberta Assessment Appeal Board in 1987 suggesting implementation, of the new procedures, has been beneficial.

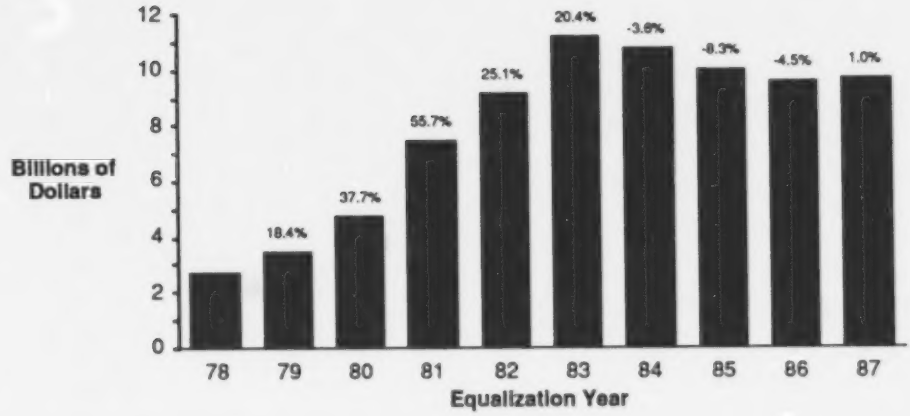
Membership on the Board consists of:

- Rene Gagne, Chairman
- Adrian Waters, Vice-Chairman
- Steve Bemount, Member, representing Alberta Education
- Joe Smith, Member, representing Alberta Association of Municipal Districts and Counties (AAMD&C)
- Dennis Bryan, Member, representing Alberta Urban Municipalities Association (AUMA)

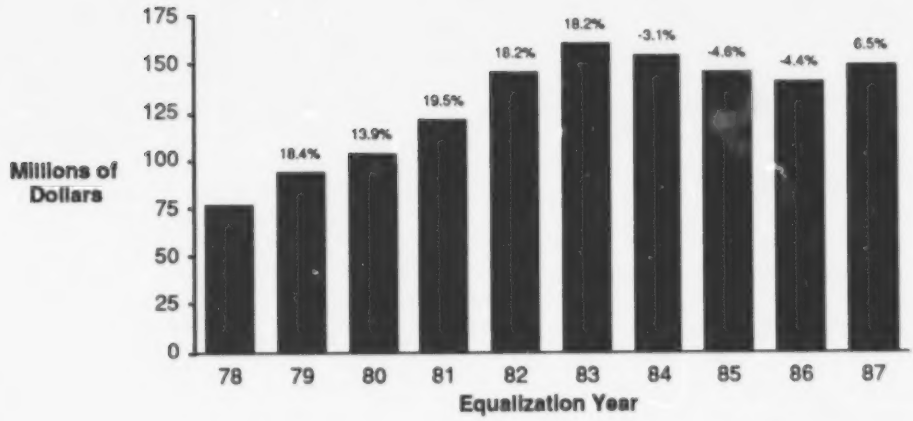
Total Equalized Assessment 1978-1987
Graph 1



School Foundation Program
Equalized Assessment 1978-1987
Graph 2



School Foundation Program
Fund Requisitions 1978-1987
Graph 3



ALBERTA PLANNING BOARD

The Board has a quasi-judicial appeal function and develops and administers the Planning Act and statutory plans on the subdivision of land.

The trend of activities which indicated a slight increase in 1985/86 continued in 1986/87 in terms of appeals and the number of days devoted to hearing them. This held true for plan cancellations and appeals on regional plan amendments as well as for referrals with respect to the non-conformity of planning documents and decisions with the regional plans. There were, however, some decreases in the less time consuming aspects of the Board's work such as extensions to subdivision approvals, applications for the waiver of the provisions of the Subdivision Regulation and exemptions from the operation of section 78 of the Planning Act to allow more than one residence on parcels of land less than 80 acres in size.

Amendments to the Subdivision Regulation had the desired effect of providing more discretion to subdivision approving authorities with fewer applications for the waiver of the provisions of the Regulation by the Board now being required.

A considerable amount of time was devoted to soliciting, receiving, researching and reviewing recommendations for regulatory reforms in planning legislation. This resulted in a number of administrative procedural changes as well as giving rise to suggested amendments to both the Planning Act and to the Subdivision Regulation. Recommendations for changes were received from the municipal associations (Alberta Urban Municipalities Association, Alberta Association of Municipal Districts and Counties, Improvement Districts Association of Alberta) and the regional planning commissions as well as from professional and other associations involved in the planning process.

The 1986/87 fiscal year saw the beginning of the programming of the Board's microcomputer, firstly, for subdivision appeals, to be followed shortly by computerization of other aspects of the Board's work.

The Board membership and staff remained static throughout the year with minor organizational changes to meet the changing demands. L.A. Kluthe was appointed a vice chairman of the Board and chairman of the appeals committee on the resignation of B.M Stecyk from that position.

A total of 48 meetings were held including 12 general Board meetings, committee meetings and special meetings not including several informal meetings with various planning agencies and authorities.

As well, Board members attended and, in many instances, were invited to make presentations and to actively participate in the conference programs of the municipal associations, regional planning commission workshops, the Alberta Development Officers Association conference, the Community Planning Association of Alberta conference, the Rural Administrators conference, the Alberta Association of the Canadian Institute of Planners and the Elected Officials conference sponsored by the Department of Extension of the University of Alberta.

The Board continued its semi-annual meetings which have been held in January and June of each year since 1985/86 with the chairmen and directors of the regional planning commissions. These have proven to be mutually beneficial.

The Board also held its Annual Planning Conference in Red Deer and a fall seminar in Lethbridge. At both cities, the Board met separately with the municipally-elected officials to discuss current planning issues.

Other significant activities included:

- meeting with representatives of the irrigation districts regarding the inclusion of their concerns in the approvals of the subdivision of land;
- attending regular meetings of some of the regional planning commissions to make presentations and to provide information as requested; and
- attending other meetings with various planning agencies as requested.

Appeals Committee

The committee received 362 subdivision appeals during the year. Of these, 327 were heard during 67.5 days of hearings throughout the province. These resulted in 312 Board Orders. Of those received, 40 were either abandoned or were invalid. One inter-municipal dispute was heard, eight regional plan amendment appeals and 12 referrals were also heard. As well, four hearings were held to review the committee's decisions at the request of one or more of the affected parties.

Research and Planning Committee

This committee met 11 times during the year to consider 225 applications for the waiver of the provisions of the Subdivision Regulation; 66 cancellations, of entire or partial plans of subdivision; 457 requests for subdivision approval extensions; and 54 applications for relief from the operation of section 78 of the Planning Act. In addition, the committee considered submissions on regulatory reform and recommended administrative procedural changes as well as amendments to the Subdivision Regulation and the Planning Act.

Other activities of the committee included the review and approval of land use by-law amendments for the one new town, consideration of Airport Vicinity Protection Area Regulations and amendments to regional plans.

Finance Committee

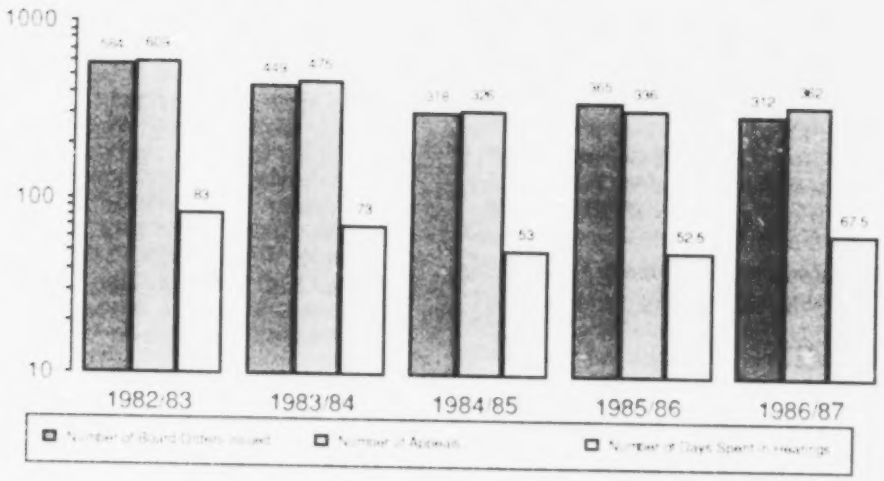
This committee met 13 times during the year to consider requests from regional planning commissions and municipalities for financial assistance for various planning projects. The committee also received and reviewed the proposed budgets of the 10 regional planning commissions and approved contributions to the commissions from the Alberta Planning Fund for their operation.

The status and audited statement of the Alberta Planning Fund appears on the following pages.

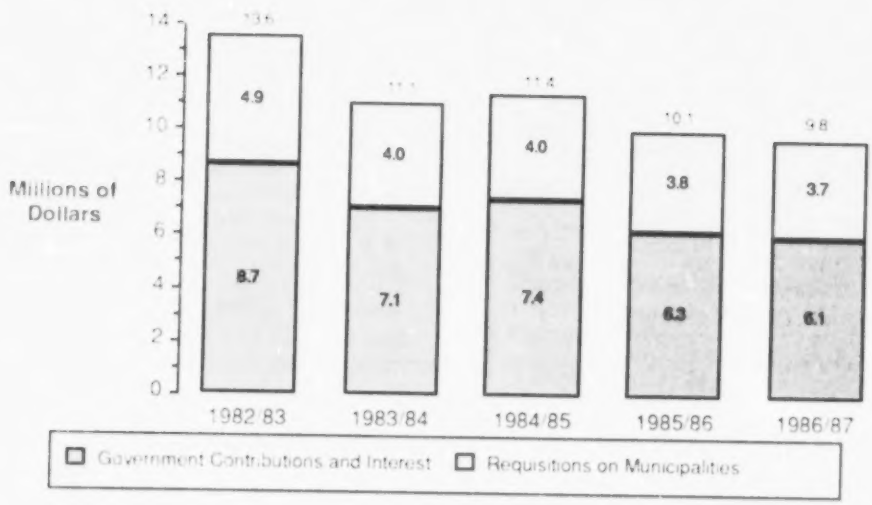
Members — 1986/87

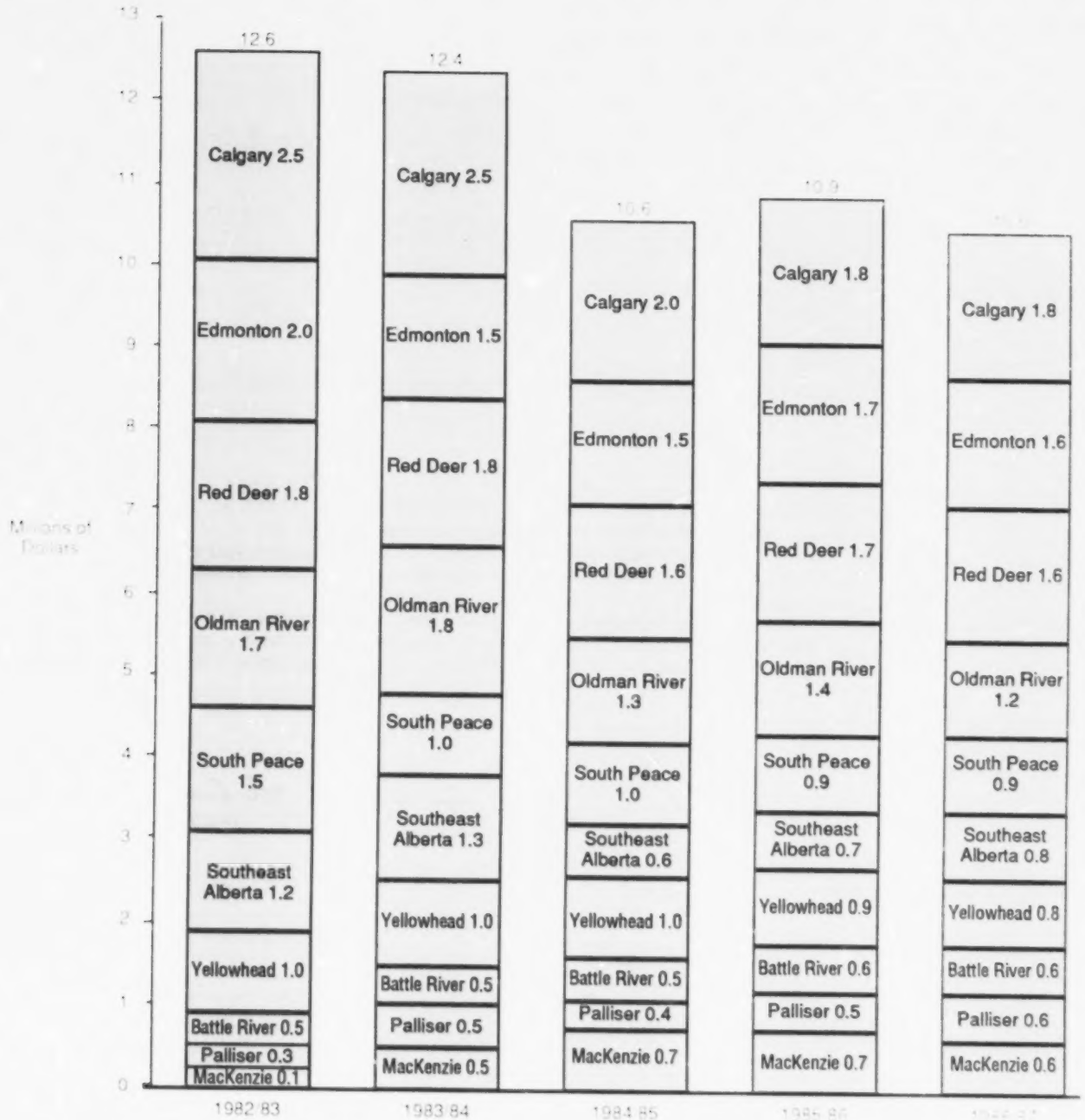
NAME	POSITION	AFFILIATION
A.R. Grover	Chairman	Deputy Minister Alberta Municipal Affairs
S.N. Odynak	Vice Chairman	Assistant Deputy Minister Alberta Education
J.G. Thomas	Vice Chairman	Assistant Deputy Minister Alberta Municipal Affairs
L.A. Kluthe	Vice Chairman	Citizen at large
W.C. Boyd	Member	Citizen at large
R.N. Briggs	Member	Director Alberta Environment
R.W. Clement	Member	Citizen at large
D.H. Cole	Member	Citizen at large
T.J. Cole	Member	Director Alberta Economic Development and Trade
B.L. Colgan	Member	Director Alberta Agriculture
L.J. Cooke	Member	Assistant Deputy Minister Alberta Forestry Lands and Wildlife
J.K. Maitland	Member	Citizen at large
D.C. McKay	Member	Citizen at large
K.G. Newman	Member	Citizen at large
Peter Polischuk	Member	Citizen at large
Brian Quickfall	Member	Executive Director Alberta Municipal Affairs
T.E. Rippon	Member	Citizen at large
B.M. Stecyk	Member	Citizen at large
A.J. Suelzle	Member	Director Alberta Planning Board

APB Subdivisions – Appeals, Board Orders Issued, Appeal Days



Planning Planning Fund – Income




Millions of Dollars
0
1
2
3
4
5
6
7
8
9
10
11
12
13
12.6
Calgary 2.5
Edmonton 2.0
Red Deer 1.8
Oldman River 1.7
South Peace 1.5
Southeast Alberta 1.2
Yellowhead 1.0
Battle River 0.5
Palliser 0.3
MacKenzie 0.1
1982/83
12.4
Calgary 2.5
Edmonton 1.5
Red Deer 1.8
Oldman River 1.8
South Peace 1.0
Southeast Alberta 1.3
Yellowhead 1.0
Battle River 0.5
Palliser 0.5
MacKenzie 0.5
1983/84
10.6
Calgary 2.0
Edmonton 1.5
Red Deer 1.6
Oldman River 1.3
South Peace 1.0
Southeast Alberta 0.6
Yellowhead 1.0
Battle River 0.5
Palliser 0.4
MacKenzie 0.7
1984/85
10.9
Calgary 1.8
Edmonton 1.7
Red Deer 1.7
Oldman River 1.4
South Peace 0.9
Southeast Alberta 0.7
Yellowhead 0.9
Battle River 0.6
Palliser 0.5
MacKenzie 0.7
1985/86
10.4
Calgary 1.8
Edmonton 1.6
Red Deer 1.6
Oldman River 1.2
South Peace 0.9
Southeast Alberta 0.8
Yellowhead 0.8
Battle River 0.6
Palliser 0.6
MacKenzie 0.6
1986/87

ALBERTA LEGISLATURE

OFFICE OF THE AUDITOR GENERAL

AUDITOR'S REPORT

To the Members of the Alberta Planning Board

I have examined the balance sheet of the Alberta Planning Fund as at March 31, 1987 and the statement of revenue, expenditure and fund equity for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the Fund as at March 31, 1987 and the results of its operations for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Donald D. Salmon C.A.
Auditor General

Edmonton, Alberta
May 22, 1987

ALBERTA PLANNING FUND
BALANCE SHEET
MARCH 31, 1987

	1986
ASSETS	
Cash	$2,787,341
Requisitions receivable	17,991
	$2,805,332
LIABILITIES AND FUND EQUITY	
Liabilities:	
Accounts payable	$93,754
Fund equity	2,711,578
	$2,805,332

The accompanying notes are part of these financial statements.

ALBERTA PLANNING FUND
STATEMENT OF REVENUE, EXPENDITURE AND FUND EQUITY
FOR THE YEAR ENDED MARCH 31, 1987

	1986
Revenue:	
Contributions from the Province of Alberta, Department of Municipal Affairs	$5,932,438
Requisitions from municipalities	3,826,628
Interest	371,869
	10,130,935
Expenditure:	
Contributions to Regional Planning Commissions:	
Operating costs (Note 3)	10,976,086
Special projects	5,300
Capital expenditures	25,000
	11,006,386
Contributions to Special Planning Project	18,300
	11,024,686
Excess of expenditure over revenue	893,751
Fund equity at beginning of year	3,605,329
Fund equity at end of year	$2,711,578

ALBERTA PLANNING FUND
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 1987

NOTE 1 Authority

The Alberta Planning Fund operates under the authority of the Planning Act, Chapter P-9, Revised Statutes of Alberta 1980, as amended.

NOTE 2 Significant Accounting Policies and Reporting Practices

Contributions to Regional Planning Commissions

Contributions towards operating costs are recorded as expenditures of the fiscal year in which they are paid.

Changes in Financial Position

A statement of changes in financial position is not provided as disclosure in these financial statements is considered to be adequate.

NOTE 3 Contributions to Regional Planning Commissions

Contributions for operating costs were authorized as follows:

	1986
Basic	$10,548,595
Supplementary	427,491
	$10,976,086

NOTE 4 Administration Expenditures

Salaries, accommodation and other overhead costs incurred in the administration of the Fund have been borne by the General Revenue Fund and are not reflected in these financial statements.

NOTE 5 Approval of Financial Statements

These financial statements have been approved by management.

SPECIAL AREAS BOARD

The Special Areas Board operates under the authority of the Special Areas Act. The Board performs duties as assigned by the Minister of Municipal Affairs in the administration of approximately 5.2 million acres of land in southeast Alberta.

Current Year Highlights

The agricultural community experienced a difficult year as a wet fall reduced good crops to low grade grains and feed. Low wheat prices and an abundance of low grade wheat contributed to a depressed market. However, government assistance programs and a buoyant cattle industry helped to stabilize the agricultural economy in the area.

The Sheerness electrical generation station became operational in 1986. The plant has contributed to the long-term stability of the area, providing much needed domestic and irrigation water, and will be providing tax revenues during its first full year of operation.

The importance of reliable water supplies in the area is receiving renewed emphasis. Activity centered around lobbying prospective financial sources, gathering data and conducting feasibility studies for supplying domestic water to towns and villages, stock and irrigation water to the agricultural community and exploring large scale water supply alternatives.

Road construction expenditures were reduced from the previous year because of lower revenues. Additions to fixed assets amount to $1,318,657 which included the construction of a community pasture house and purchase of road equipment.

Reduced levels of Alberta Transportation Special Project funding and a wet fall resulted in less road construction than the previous year. However, 88 miles of new construction were completed together with 72 miles of oiled road repair, 28 miles of new oiled road and 760 miles of road gravelled in 1986.

Extensive development took place at Blood Indian Park, a popular recreation and fishing site. This development was made possible by funding from the Recreation Area Grant Program through Alberta Recreation and Parks. Work completed in 1986 included the planting of 4,000 trees, the installation of three boat launches, 24 toilets, playground equipment and road development.

Elections for the thirteen Advisory Council Members in the Special Areas were held under the Local Authorities Election Act in October, 1986. All incumbents retained their seats except one who did not stand for re-election.

Other 1986 developments and activities are presented in the following five year summary.

OPERATIONS	1986	1985	1984	1983	1982
ISSUES:					
Mineral Surface Leases	118	252	123	137	369
Development Control Permits	37	54	25	9	20
LEASES TRANSACTION:					
Assignment	121	135	165	180	202
Partial Assignments	24	52	36	44	55
Renewals	300	299	280	290	296
New Leases	30	51	40	50	56
Regrassing Permits	75	93	108	181	167
ROAD PROGRAM (in miles):					
New Construction	88	101	70	80.5	86.5
New Oiled	28	16	23	0	24
Gravelling	760	703	835	548	818
COMMUNITY PASTURES					
Number of Cattle Managed	8,754	8,719	9,248	9,196	9,467
Number of Calves Managed	5,764	5,404	5,375	5,450	5,594

Membership on the Board consists of:

Abner G. Grover, Hanna — Chairman
Thomas Osadczuk, Iddesleigh — Member
John D. Sumner, Consort — Member

Advisory Council Members are:

Special Area No.2	Name	Address
Subdivision No.1	Andrew R. Duff	Hanna
Subdivision No.2	Frank Roes	Hanna
Subdivision No.3	Dorothy Solberg	Sunnynook
Subdivision No.4	Doug Williams	Cessford
Subdivision No.5	Dick R. Pahl	Hanna
Subdivision No.7	Leonard Rinker	Bindloss
Subdivision No.8	Thomas Osadczuk	Iddesleigh

Special Area No. 3

Subdivision No. 4	Wayne L. Thornton	Sibbald
Subdivision No. 5	James D. Andrew	Youngstown
Subdivision No. 6	Ben Lockhart	Youngstown

Special Area No. 4

Subdivision No. 1	John D. Sumner	Consort
Subdivision No. 2	Ronald P. Dumaresq	Consort
Subdivision No. 3	Frank C. Murphy	Altario

ALBERTA LEGISLATURE

OFFICE OF THE AUDITOR GENERAL

AUDITOR'S REPORT

To the Minister of Municipal Affairs:

I have examined the balance sheet of the Special Areas Trust Account as at December 31, 1986 and the statements of revenue, expenditure and accumulated surplus, capital reserves, equity in fixed assets and changes in cash resources for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the Trust Account as at December 31, 1986 and the results of its operations and the changes in its financial position for the year then ended in accordance with the disclosed basis of accounting, considered appropriate in the circumstances, as described in Note 2 to the financial statements applied, after giving retroactive effect to the change in the capital reserves accounting policies as described in Note 3 to the financial statements, on a basis consistent with that of the preceding year.

Donald D. Salmon C.A.
Auditor General

Edmonton, Alberta
March 27, 1987

SPECIAL AREAS TRUST ACCOUNT
BALANCE SHEET
AS AT DECEMBER 31, 1986

	1985
ASSETS	
Current:	
Cash (Note 4)	$13,670,716
Accounts receivable (Note 5)	2,519,315
Taxes and grants in lieu receivable	237,304
Inventories (Note 2)	1,024,329
Prepaid expenses	12,035
	17,463,699
Non-Current:	
Accounts receivable (Note 5)	15,536,478
Investment (Note 6)	150
Fixed (Notes 2 and 7)	14,747,972
	$47,748,299
LIABILITIES AND TRUST EQUITY	
Current:	
Due to Province of Alberta, net (Note 8)	$1,142,566
Accounts payable and accruals	708,974
Deferred revenue	98,193
	1,949,733
Trust Equity:	
Accumulated surplus (Note 3)	3,761,595
Capital reserves (Note 2)	27,288,999
Fixed assets (Note 2)	14,747,972
	45,798,566
	$47,748,299

The accompanying notes are part of these financial statements.

SPECIAL AREAS TRUST ACCOUNT
STATEMENT OF REVENUE, EXPENDITURE AND ACCUMULATED SURPLUS
FOR THE YEAR ENDED DECEMBER 31, 1986

	1985
REVENUE	
General Municipal:	
Taxation:	
Power and pipeline	$4,564,570
Real property	3,185,675
Grazing	850,277
Provincial grants in lieu	66,057
Penalties and costs on taxes	40,380
Mobile home license fees	2,224
	8,709,183
Less: Expended by transfers:	
Supplementary school requisitions	3,345,204
Provincial school foundation	1,838,070
Homes for aged requisitions	235,528
Hospital requisitions	109,008
Alberta Planning Fund requisitions	48,801
Industrial tax transfers	24,180
	5,600,791
Net taxes for municipal purposes	3,108,392
Tax recovery land sales (Note 9)	3,633,623
Leases	3,600,248
Provincial grants (Note 10)	3,239,643
Interest	2,690,400
Other	572,277
Proceeds from sales of fixed assets	88,468
TOTAL REVENUE	$16,933,051

SPECIAL AREAS TRUST ACCOUNT
STATEMENT OF REVENUE, EXPENDITURE AND ACCUMULATED SURPLUS
(continued)
FOR THE YEAR ENDED DECEMBER 31, 1986

	1985
EXPENDITURE	
General Municipal:	
Transportation services	$11,759,451
Administrative services	1,796,474
Environmental development services	557,365
Recreational, cultural and educational services	227,681
Protective services	269,248
Health and welfare services	45,340
TOTAL EXPENDITURE	14,655,559
Excess of revenue over expenditure	2,277,492
Accumulated surplus at beginning of year	4,665,812
	6,943,304
Add:	
Transfers from capital reserves	
Funding for purchase of fixed assets	465,611
Less:	
Transfers to capital reserves	
Tax recovery land sales	3,551,184
Municipal debt reduction interest	96,136
	3,647,320
Accumulated surplus at end of year	$3,761,595
Increase (decrease) in accumulated surplus compared to the previous year	$ (904,217)

SPECIAL AREAS TRUST ACCOUNT
STATEMENT OF CAPITAL RESERVES
FOR THE YEAR ENDED DECEMBER 31, 1986

	1985
TAX RECOVERY LAND SALES RESERVE	
Balance at beginning of year	$23,174,141
Add: Net sales transferred from operations	3,551,184
Balance at end of year	26,725,325
MUNICIPAL DEBT REDUCTION RESERVE	
Balance at beginning of year	932,040
Add: Interest transferred from operations	96,136
	1,028,176
Less: Funding of capital expenditure transferred to unexpended capital funds	500,000
Balance at end of year	528,176
PUBLIC RESERVE	
Balance at beginning and end of year	1,109
UNEXPENDED CAPITAL FUNDS	
Balance at beginning of year	—
Transfer from municipal debt reduction reserve	500,000
	500,000
Transfer to surplus	
Cost of fixed assets finance through capital reserves	465,611
Balance at end of year	34,389
TOTAL CAPITAL RESERVES	$27,288,999

SPECIAL AREAS TRUST ACCOUNT
STATEMENT OF EQUITY IN FIXED ASSETS
FOR THE YEAR ENDED DECEMBER 31, 1986

		1985
Balance at beginning of year		$13,078,571
Add:	Purchase of fixed assets	
	Transportation services	1,555,472
	Environmental development services	24,589
	Administrative services	348,522
	Protective services	91,101
		2,019,684
		15,098,255
Less:	Disposal of fixed assets	350,283
Balance at end of year		$14,747,972

SPECIAL AREAS TRUST ACCOUNT
STATEMENT OF CHANGES IN CASH RESOURCES
FOR THE YEAR ENDED DECEMBER 31, 1986

	1985
Sources of cash:	
Cash from operations:	
Excess of revenue over expenditure	$2,277,492
Decrease in non-current assets	—
	2,277,492
Uses of cash:	
Cash applied to working capital:	
Increase in non-cash current assets	307,007
Decrease in current liabilities	694,393
	1,001,400
Increase in non-current assets	638,895
	1,640,295
Increase in cash	637,197
Cash at beginning of year	13,033,519
Cash at end of year	$13,670,716

SPECIAL AREAS TRUST ACCOUNT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1986

NOTE 1 AUTHORITY

The Special Areas Trust Account operates under the authority of the Special Areas Act, Chapter S-20, Revised Statues of Alberta 1980.

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES

(i) These financial statements have been prepared in accordance with generally accepted accounting principles except as follows:

(a) Fixed Assets

Fixed asset acquisitions are included as expenditure in the statement of revenue, expenditure and accumulated surplus. For information purposes, fixed assets having an original cost greater than $2,500 are shown on the balance sheet at cost with the offsetting credit to equity in fixed assets. No provision is made for depreciation of fixed assets.

(b) Revenues

Revenues from crop shares and Wheat Board adjustments are recorded on a cash basis.

(c) Tax Recovery Land

Tax recovery land is not valued for balance sheet purposes. Approximately 1.489 million acres of tax recovery land remains unsold as at December 31, 1986 (1985 – 1.530 million acres).

(ii) Other significant accounting policies are as follows:

(a) Inventories:

Inventories are valued at the lower of cost or net realizable value.

Cost is determined as follows:

	1985
Parts and other, average cost	$606,488
Gravel, first in first out	408,981
Fuel, first in first out	8,860
	$1,024,329

(b) Capital Reserves:

The reserves have been established for the funding of any expenditure that the Minister of Municipal Affairs may authorize.

The reserves include revenue from the sale of tax recovery land, cash in lieu of public reserve and funds received under the Municipal Debt Reduction Act. Interest earned on municipal debt reduction funds is transferred to the reserve from operations.

NOTE 3 CHANGE IN ACCOUNTING POLICY

In prior years transfers between accumulated surplus and capital reserves were reported as expenditures and revenues. The cost of fixed asset purchases financed out of capital reserves was charged directly to capital reserves.

Effective January 1, 1986, the Trust adopted the policy of recording transfers to and from capital reserves as adjustments of accumulated surplus, charging to expenditure the entire cost of fixed asset acquisitions and recoding the cost fo fixed asset purchases financed out of capital reserves as transfers from capital reserves to accumulated surplus.

This change of accounting policy has been applied retroactively and has the following effect on the financial statements.

	1985
Increases in expenditures due to charging entire cost of fixed asset acquisitions:	
Transportation services	$107,536
Administrative services	343,186
Environmental development services	14,889
	465,611
Decrease in expenditure due to recording of transfers as adjustments of operating surplus	3,647,320
Decrease in total expenditures	$3,181,709

There is no effect on the capital reserves and the accumulated surplus at beginning or end of year.

NOTE 4 CASH

Cash includes a deposit of $14,947,473 in the Consolidated Cash Investment Trust Fund of the Province of Alberta (1985 – $13,057,163).

NOTE 5 ACCOUNTS RECEIVABLE

Accounts receivable are comprised of the following:

	1985
Current:	
Tax Recovery:	
Land sales	$1,549,160
Accrued interest	636,439
	2,185,599
Leases	186,772
Recreation advances	36,735
Miscellaneous	110,209
	$2,519,315
Non-Current:	
Tax Recovery:	
Land sales	$15,336,709
Recreation Advances	180,408
Miscellaneous	19,361
	$15,536,478

Title to tax recovery land sold is not transferred from the Minister of Municipal Affairs to the purchaser until all purchase monies have been paid. If a purchaser defaults in payment, the agreement for sale may be declared null and void and all monies received may be retained by the Trust Account as liquidated damages.

NOTE 6 INVESTMENT

	1985
Alberta Municipal Financing Corporation shares at cost	$150

NOTE 7 FIXED ASSETS

Fixed assets, at cost are comprised of the following:

	1985
Land	$264,080
Buildings	4,093,206
Vehicle and mobile equipment	9,706,236
Machinery and equipment	654,528
Electronic data processing equipment	20,577
Office equipment	9,345
	$14,747,972

NOTE 8 DUE TO PROVINCE OF ALBERTA, NET

The net amount due to the Province of Alberta is comprised of the following:

	1985
Due to the Province of Alberta:	
Salaries	$1,112,010
Administration charges	94,428
Other	51,540
	1,257,978
Due from the Province of Alberta	
Grants	(42,425)
Other	(72,987)
	(115,412)
	$1,142,566

NOTE 9 TAX RECOVERY LAND SALE REVENUE

Tax recovery land sale revenue is comprised of the following:

	1985
Land sales – agreements	$3,063,000
Lands sales – full payment	492,320
Mineral surface lease sales	78,303
	$3,633,623

NOTE 10 PROVINCIAL GRANTS

Provincial grant revenue is comprised of the following:

	1985
Transportation and Utilities	$1,991,940
Municipal Affairs	1,024,082
Agriculture	147,681
Recreation and Parks	56,823
Career Development and Employment	18,062
Environment	—
Executive Council – Public Safety Services	1,055
	$3,239,643

NOTE 11 COMPARATIVE FIGURES

The 1985 figures have been reclassified where necessary to conform to 1986 presentation.

NOTE 12 APPROVAL OF FINANCIAL STATEMENTS

These financial statements have been approved by management.